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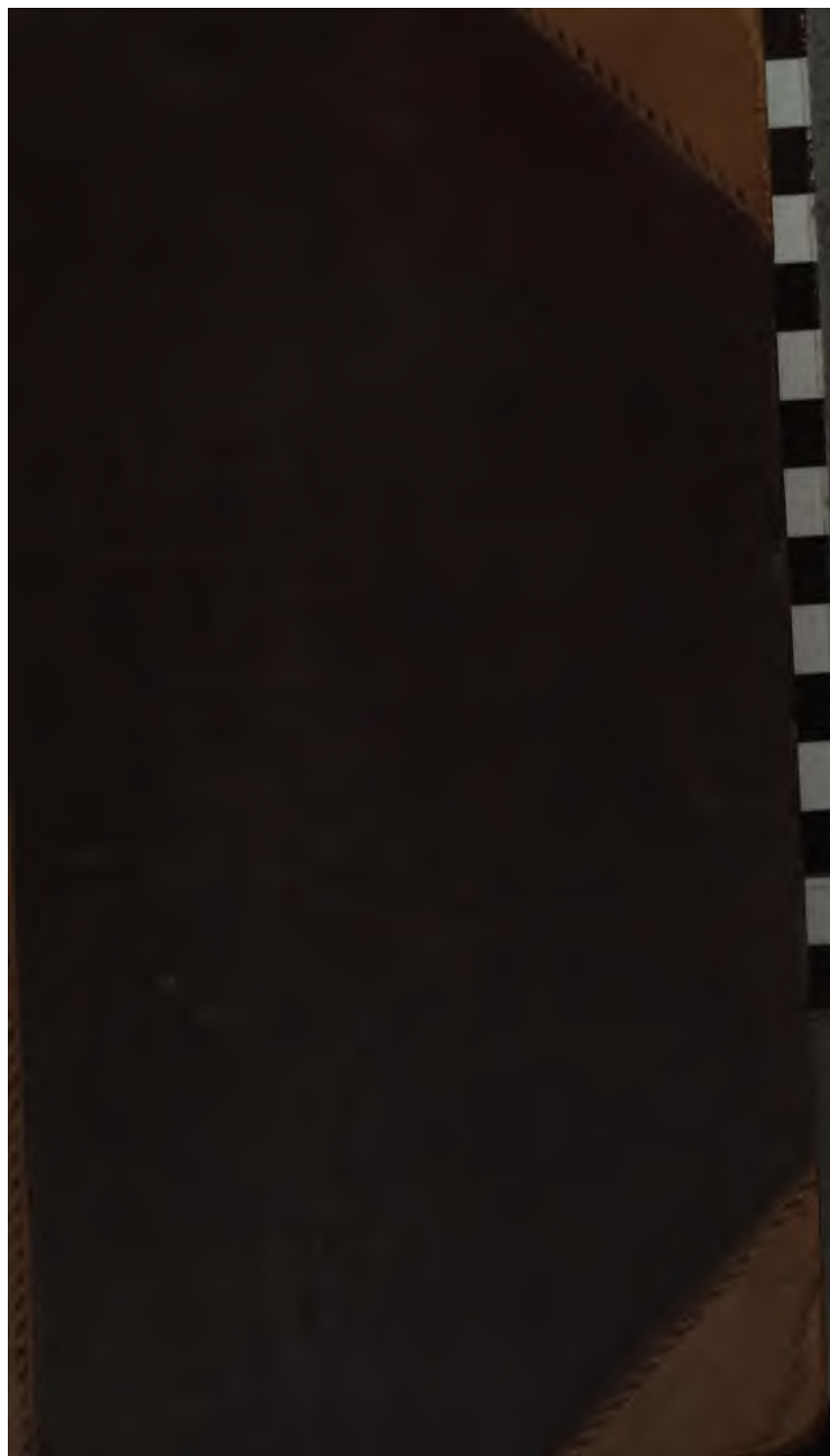
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# THE BANKERS' MAGAZINE;

AND

**Journal of the Money Market.**

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**JANUARY, 1855.**

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## THE WAR EPOCH '54.

THE year one thousand eight hundred and fifty-four will occupy a prominent position in the annals of Europe. It will mark the important period of a transition from a lengthened continuance of profound peace to an outbreak of war, the termination of which depends upon a variety of contingent influences. To those sufficiently advanced in age to remember the memorable Wellington campaigns, the present crisis exhibits the remarkable contrast of the association of England and France to repress the designing ambition of Russia, and to preserve intact the balance of power in the East; while to those acquainted only with the stern realities of belligerent operations since the dispatch of the allied forces to the Crimea, the successes obtained must furnish an earnest of the lasting benefit to be derived from their cordial co-operation. Amidst the general distress, social and pecuniary, the fearful loss of life in the one case, and the derangement of trade in the other, each producing great discouragement, there is, however, the consolation, that the attempt of the Czar to subvert the government of Turkey has accelerated a union between the two countries whose natural position and resources entitle them to take the lead in regulating the destinies of the civilised world; and that, if the first exertions to secure an honourable recognition of their power have been attended with a heavy sacrifice, it will in the end be more than compensated by the advantages which are likely to accrue from the favourable nature of the relationship established.

It was not to be supposed that the current of financial and commercial affairs would, at an epoch like this, assume a steady and undeviating course, or that the prosperity of the two or three preceding years would, under such circumstances, be

maintained in its full integrity. From the character of the negotiations entered upon, and the unflinching perseverance of the Muscovite interest to achieve the object of their ambition, almost every one, from the entry of the combined fleets into the Black Sea, was prepared for the alternative ultimately adopted. The significant fact of the retirement of the Russian ministers from the courts of London and Paris, followed by the declaration of war in March, brought the actual position of the case prominently before the public; and even many who had previously professed an utter disbelief in the probable commencement of active hostilities, were then compelled to admit the sombre hues of the picture presented for contemplation.

But, although a declaration of war had taken place, it was at the same time felt that the extreme measure had not been resorted to before every considerate attempt had failed to induce an honourable adjustment; and, although the public were not unanimous, after the issue of the "secret correspondence," that the Cabinet had, with the possession of this knowledge, proceeded as energetically as circumstances required, they cheerfully accepted the responsibility entailed, and, with an enthusiasm deserving high commendation, indorsed it with the character of "a people's cause."

The war announced, preparations were requisite to carry it forward. The early Budget of Mr. Gladstone, which provided for an extraordinary expenditure—the positive result of negotiations not having been then obtained—received support, despite a further increase of direct taxation; and the country, while agreeing that it was prudent to arrange for any emergency, appeared to regret that the fallacious hopes entertained of a settlement should prevent the Government from seeking a larger amount of assistance. The supplemental statement exhibited in May indicated that a larger provision was necessary, but recourse to a loan was studiously avoided—the Chancellor of the Exchequer having refused originally to recognise the principle of rendering posterity liable for an outlay which should, according to his views, be discharged from the income of the period. Although the reasonableness of this position was contested at the time, and continues to be contested by high authorities, the majority acquiesced, and the whole of the plans propounded were ratified, and speedily put in motion.

While these auxiliary events were taking place, the presence of our fleets in the Black Sea and the Baltic, exercised an influential *surveillance*; and the enforcement of blockades, notwithstanding their temporary evasion, impressed upon the subjects of the Czar, through diminished trade and restricted resources, the penalty incurred by the despotism of their ruler. There was,

however, on his part, no desire to avail himself of the friendly offices of Austria, who, throughout the whole of this difficult question, has endeavoured to arrange terms between the contending Governments; not probably from any latent disposition to assist the Western States, but to avoid, if possible, a personal embroilment with her haughty and irascible neighbour. In the intermediate period, a concentration of forces at Varna and Constantinople gave breadth to the proceedings of England and France, and the victories gained by the Turks over the Russians, under the leadership of Omer Pacha, presented, in a satisfactory light, the effective resistance of the presumed weakly antagonist. The retreat from Silistria, and the proposed evacuation of the Principalities, at once changed, in many essential respects, the features of the war. Suffering greatly, as the allied troops had been, at Varna and Scutari, from disease and inaction, loud complaints were raised of the absence of an active demonstration against Nicholas. The bombardment of Hangoe and Bomarsund, in the Baltic, although not considered brilliant achievements, testified to the anxiety of our naval forces to distinguish themselves in those waters; but the difficulty of the navigation, and the want of gun-boats, prevented the attainment of other desirable objects.

It was at this important juncture that the expedition to the Crimea was publicly intimated. Arrangements previously in progress furnished evidence of some considerable movement being at hand. No direct information had, however, transpired; and, until the very sailing of the fleet, there was a doubt respecting its positive destination. It was then officially declared to be Sebastopol—an announcement that created the greatest enthusiasm. The intelligence of the landing of the whole of the forces, without accident, on the 14th of September, was a cause of congratulation, not the less satisfactory because of that circumstance, but because it was believed to present the prospect of an auspicious campaign. The passage of the Alma, the capture of Balaklava, and the celebrated battle of Inkerman, exhibited, in their strongest colours, the desperate courage and indomitable perseverance, surrounded by all difficulties, of both the English and French troops, who, having fought side by side with a valour comparable only to that recorded in the classic age, elicited the mutual encomiums of their commanders, on the field and in their published dispatches. But these brilliant victories, each of which may be veritably described in the pages of history as among the mightiest of the existing generation, have not been unaccompanied with a great sacrifice of blood and treasure; and the deplorable situation to which the army has been reduced, the wreck of supplies in the Euxine, and an unfavourable alteration in the weather, have increased the impe-



diments already encountered to a vigorous prosecution of the siege. Russia's old ally, winter, through alleged negligence on the part of our general war administration, has proved, as in former cases, more antagonistic than was anticipated; since, had ordinary prevoyance been exercised, the rigours and inconveniences of a Crimean climate might have been mitigated, and the operations against Sebastopol effectively prolonged.

The war, and its influence upon trade and finance, is a topic which has been much canvassed. Extreme parties express extreme views, and consequently very different opinions have been current. The supporters of Government maintain that business transactions have not received so great a check as that which was predicted would ensue, when hostilities at first appeared imminent; while opponents, on the other hand, declare that the country is plunged in a state of deep distress, the whole burden of which is attributable to the vacillating policy of the Aberdeen Cabinet. Taking a more moderate estimate of the war and its consequences, a nearer approach to the truth is likely to be arrived at. Generally admitting the inexperience of the administration in military and naval tactics—conceding the point, that blunders have been made in perfecting preliminary arrangements, and which might, in all probability, have occurred had other parties been in power—it is impossible to conceal the fact that, considering all things, affairs have moved forward in a tranquil and satisfactory manner. While allowing this, it must, at the same time, be remembered that no struggle of this momentous description could be engaged in without creating some effect upon commerce, the relations of which are invariably disturbed whenever such events take place. The inactivity of trade, and the dullness which has, more or less, overshadowed every department within the last four months, have been provoked by other circumstances than the war. And these collateral incidents are, in themselves, of almost equal importance to those which may be supposed to have sprung out of the contest now going on with Russia. Taxation to defray the expenses of the war has, of course, been increased, and the weight has fallen on the public. But, unfortunately, in addition to this unfavourable state of things, Australia and America, the two principal customers of Great Britain, have been passing through phases of pressure, which have affected, not only the credit of mercantile and trading establishments in those localities, but also that of agents and correspondents resident here. Failures and other commercial disasters which have not arisen from these proximate causes, will be found to have been few and far between. With such an excess of business, mostly speculative, as is represented to have been transacted through these

connections, it was scarcely possible to avoid the effects of the revolution recently witnessed.

But if business has been heavy, and in the majority of cases unremunerative, great disposition has been exhibited to stretch forth a helping hand to those in difficulties, where the least hope of recovery existed; and the occasional symptoms of panic presenting themselves have thus been allayed, without being permitted to reach a height to endanger legitimate and healthy trade. With antecedents such as these, it was to be expected that money would, on the average, command full rates, and there has been active employment for the whole available amount of capital, both in Lombard-street and general banking circles. Although the supplies from Sydney, Melbourne, and California, have not decreased, they have barely been sufficient at particular periods to keep up a floating balance, requisite to create confidence at a moment of alarm, and when the metallic reserves of the Bank threatened to undergo a rapid diminution. Hence, so nicely has the alteration in the rate of discount been regulated, that the *minimum* terms of the Bank authorities have not varied more than one-half per cent.—the rate in May having been advanced from five to five and a-half per cent.; and in August having been reduced from five and a half to five per cent., the present quotation; while the stock of bullion has fluctuated between £16,286,000 (25th of February) and £12,513,000 (20th May), now standing (December 16th) £14,028,000.

One essential element in inducing the public to hold up against prophesied adversities was the abundant harvest, which provided for a contingency that might otherwise have been attended with disastrous results; and, fortified with this certainty, they were prepared to combat with minor difficulties in a spirit worthy of the occasion. The subsequent fluctuations in the value of grain, through operations for export, have not diminished the confidence in the adequate nature of the home supply; and, although quotations may exhibit firmness at the average advance, there is little apprehension of lengthened scarcity. A remarkable feature to notice, in the midst of this general perturbation, is the almost inflexible stability of the funds. No doubt can be entertained that the greater number of capitalists, especially of the investing community, are less excited by war or war rumours than they were half a century since. It is true that, during the agitation occasioned by the declaration of hostilities, Consols sank to 85½, but the fall was principally produced through heavy speculative sales, which ultimately ruined many who engaged in them. The reaction, afterwards apparent, which caused a rise to within a fraction of 96, establishes a range of about 11 per cent., but there has once more been a change, and the nearer quotation is 91½.

Doubtful as the future seems to be—and it is very hard to attempt vaticination on points so complex as those involved in the existing state of foreign relations—there is yet a gleam of hope that, if Austria and Prussia be brought to a proper sense of their true interests, a peace may at no distant date be concluded. But it must be distinctly understood, that victory or defeat does not depend upon those powers. Their acquiescence may facilitate an arrangement which is likely to be beneficial to themselves, and also to Russia. An expenditure such as England and France, out of the whole European family, can alone bear, will probably be necessary to carry out the war, should their policy dictate a different plan; but each of those two nations, now they have once pledged themselves to the conflict, will most cheerfully exhaust their resources, rather than succumb to the proposed aggression of the all-usurping Nicholas.

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#### THE SAVINGS BANK QUESTION.

THE Chancellor of the Exchequer is early in the field with his proposed savings bank reforms; and, although at present he has not furnished the public with the full detail of his measures, enough has transpired to show that they will be most actively canvassed. From the preliminary discussion which took place in the House of Commons, on the 20th December, it distinctly appears that he is prepared with two schemes—one for modifying the arrangements respecting the state in which the savings banks' moneys are held by the Government; the other, concerning the management of these establishments, the regulation of the rate of interest to depositors, and the nature of the guarantee to be given for their security. On the first of these, he has, as yet, only foreshadowed something of his intentions; and, until an opportunity is afforded us of going carefully through the bill, which will be immediately printed, it would be premature to express a positive opinion. Apprehensions have, however, been suggested, that the Chancellor aims at taking too much power into his own hands, and that the object of the proposal is not so much a rectification of the system, as it is to possess a more ready means of dealing with the funds, in the names of the National Debt Commissioners. Sir H. Willoughby, Mr. Henley, and other vigilant supporters of the savings bank interest, prepared Mr. Gladstone for a thorough scrutiny; and, if any covert proceeding be intended, he may rest assured that he will encounter a strong opposition. With regard to the other measure—viz., that involving the future management and security of savings banks—there will be ample time for dealing with it when it shall have been announced. In the meanwhile, all identified parties should be prepared to make a determined resistance to any project, which does not recognise the principle of a fair rate of interest to depositors, and full government security. This general topic, unless the progress of

the war shall lead to another postponement, will, after the recess, engage considerable attention. The following abstract of the Parliamentary proceedings will be read with interest:—

HOUSE OF COMMONS.—DEC. 20.

CONSOLIDATED FUND.—SAVINGS BANKS.

The Chancellor of the Exchequer moved that the House should go into committee to consider the following resolution, which stood on the paper:—"That it is expedient to create a charge on the Consolidated Fund of the United Kingdom of Great Britain and Ireland, in respect of the sums due to Savings Banks and Friendly Societies, and to provide for the payment of interest thereon to the Commissioners of the National Debt at 3 per cent. per annum; and also to make provision out of the said Consolidated Fund, or by Exchequer-bills or Exchequer-bonds, for any difference which may now or hereafter exist between the assets in the hands of the Commissioners for the Reduction of the National Debt, in respect of Savings Banks and Friendly Societies, and the liabilities thereon; and also for the interest on such Exchequer-bills and Exchequer-bonds."

The Chancellor of the Exchequer said, the step which he had proposed to the House to take was one which appeared to be best for the convenience of the House, and by that test only he wished it to be tried. It was simply a question of regulation, and had nothing to do either with the imposition or the remission of taxes, or with the supplies and ways and means of the year. It was simply a matter of administrative improvement to which he asked the attention of the House. They had heard much of late years on the subject of the arrangement of business. They had all felt that there were great defects in the mode of carrying on their business, so far at least as its arrangement and division were concerned, and different governments had incurred much censure for not having corrected those evils. (Hear, hear.) The measure he proposed could only be introduced in the form of a resolution, but it was absolutely necessary to accompany that resolution with an explanatory statement. Having made that statement, he would leave the resolution in their hands; his object at the present moment being to have that resolution printed, and its proposals fully considered after the recess. (Hear, hear.) The resolution, he would briefly remark, was necessary as the foundation of one or more clauses of a bill which he would have to introduce, and which would contain a number of other clauses, the scope of which it was necessary the House should understand. The object of the bill would be to meet various difficulties and various objections that had often been felt, with regard to the state in which the savings banks' moneys were at present held by the Government. There was also a bill which concerned the management of the savings banks, the regulation of the rate of interest to be paid to the depositors, and the nature of the guarantee to be given to those depositors. That was a most important subject, on which he proposed to present another bill to the House; but it was an entirely distinct measure from that embodied in the present resolution. With the savings bank depositors they had at present nothing to do, except in the indirect form of making the title to their deposits in law—he would not say better in substance, but in law more perfect, and to give them a better remedy. But the present bill had reference to the custody of money in the savings banks. The committee would bear in mind that there were two modes by either of which they could receive and manage the savings bank deposits, or those of friendly societies. They might receive them as agents, invest them on account of the depositors, transact their business for them, and leave to them the risk of loss or the chance of gain from these investments. That might be one mode, and it was a fact that a great number of persons, even members of that House, were under the impression that that was the mode recognised in law. The principle of our law, however, was founded on an entirely opposite mode of proceeding, viz., that when they received the money of a savings bank depositor, they made a contract with him, not to act as his agent, but to keep his money, to repay him that money when he wanted it, and to allow him a certain rate of interest—that was to say, they professed to manage the deposits as a banker; when they were in the hands of the State they were the moneys of the State, and that which the depositor had a right to expect was, that his money should

be rendered back to him, with the legal rate of interest, when he asked it. Now, the real object of this resolution was, to reduce that obligation and that contract of the State with savings bank depositors to the simple form which was adopted by every banker. Every man who had money in a bank understood perfectly the condition on which it was held. It was held as his money, with or without interest, as the case might be; and what he proposed, as respected the bulk of the funds received from savings bank depositors, was, that they should be held in this country as in all other countries—not in the complicated form of stock and public securities, though it would be necessary to retain a proportion of them in that form, but in that state in which every man would understand what it was he had given, and what it was he had a right to—that was to say, in the state of a depositor with the public. That was the practice of every banking establishment. He wished to get quit of those mischievous apprehensions that pervaded the country, that the savings bank depositors were liable to suffer by the fluctuations of the public stocks. That misapprehension was a very great evil, and it was exceedingly to be desired that they should give the savings bank depositors, not only the best but the clearest and most effective title in law and practice that they could devise. (Hear.) That object would be greatly promoted if, instead of taking the money of the savings banker, and putting it in the shape of stock, they let him understand distinctly that they were entitled to get back their money with a legal rate of interest. (Hear, hear.) Such was the position in which they were placed by the forms of the House, that it was impossible to convey to the committee the same clear views of his proposal that would be in his power if he had a bill on the table of the house, but he would point out one or two other matters that admitted of explanation. He had stated on former occasions that powers necessarily large over this great mass of public securities were vested in the hands of the Commissioners of the National Debt. He proposed by the bill to limit the exercise of these powers. These powers would remain in force with regard to as much of stocks and national securities as the commissioners might continue to hold, but, so far as regarded the great mass of their assets, they would be represented by an open State credit, and movements upwards and downwards of that amount would cease to be dependent on the will of the Finance Minister. It would move up and down according to the money put in by the depositors, and the money drawn out by them; but the will of the executive Government would have nothing to do with it. One effect of the bill would be this:—At present there were many inconveniences from the accumulation of the amount of interest to be paid to the credit of the National Debt Commissioners. This amount accumulated on the four quarter-days, when it was most inconvenient to pay it; but by this arrangement it would in future be paid at the most convenient period—viz., the middle of November—which would greatly relieve the quarter-days. But there was another object which he might briefly mention. At present the statement of the national debt account was not a true and accurate statement, because in that account they appeared to be indebted in the matter of the savings banks only in respect of the stock that might happen to be held by the commissioners; but the real amount of the debt was their liability to the savings banks' trustees, and that liability consisted of the whole money received from depositors, together with the legal interest that might have accrued. Now, it was unquestionably a great public object to make the statement of that debt a veracious and accurate one, and therefore, in the bill which he proposed to introduce, he would provide for a balance of the assets and liabilities of the National Debt Commissioners once a year, after the 20th of November, so that when they got the statement of the commissioners at the commencement of the year it would be found accurate and conclusive. He wished this matter to be considered during the recess, and he would then, he hoped, be in a condition to ask the opinion of the House upon the bill which it would be his duty to introduce. The right hon. gentleman then moved the adoption of the resolution.

After some conversation, the Chancellor of the Exchequer reiterated the assurance he had given, that the interest payable to depositors in savings banks would not be affected in the slightest degree, one way or other, by the resolution he had proposed. The resolution was then carried. On the 22nd of December, the bill was formally introduced to the House.

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### THE AMERICAN BANKING SYSTEM.

THE incidents of the monetary crisis from which New York is but just emerging, and through which the majority of the Western States of the Union are now passing, tend to show that sudden and great commercial prosperity is not always an unmixed good, while the attempt to extend trade unduly, or to meet the financial pressure which necessarily attends the period of re-actions by unrestricted paper issues, is always productive of the most serious evils. Banking facilities are unquestionably amongst the most potent agencies in the formation of commerce. If trading operations were limited by the actual amount of specie which the trader might have in hand, or by the value of the goods in his warehouse, at the moment of each business transaction, without taking into account bills, goods in transitu, and other growing assets, such a check would be imposed upon trading operations as to render commercial eminence, either in individuals or communities, an impossibility. The banking system meets this difficulty by making bills of exchange and other present immature assets immediately available, and by providing, to a certain extent, a ready and convenient circulating medium. Another important requisite which the ordinary banks supply is, a place of safe deposit for the surplus moneys and balances of merchants, trading co-partnerships, and private individuals, to whom the keeping, even occasionally, of large sums at home would be inconvenient and unsafe. In every commercial community, therefore, it is a matter of essential consequence that the establishment of banks and the legitimate business of banking should be encouraged. There is, however, a wide difference between providing banking facilities and facilitating the organisation of banks unfettered by any restrictions as to whether their issues are based upon really tangible and readily convertible securities, and whether the deposits intrusted to their keeping will be returned when demanded.

Judging by the details of the numerous bank failures and suspensions which have recently occurred in the United States, it would appear that our transatlantic brethren have, in a great degree, overlooked this distinction.

Placed in a position of gigantic commercial capabilities, increased by unexpected circumstances to apparently an unlimited extent, the expansion of banking operations in proportion to the expansion of trade became a necessity; but, in providing for the want, it would seem that they neglected to impose those restrictions within which only it could be safely

supplied. The extraordinary demand the famine years in Europe made upon the bread stuffs of America, the influx of specie consequent thereon, followed immediately by the gold discoveries in California, gave to American trade an impetus almost unparalleled in the history of any country. Her resources became suddenly and enormously increased, and the spirit of speculation, which seldom fails to accompany a sudden burst of prosperity, was engendered. Railways were projected and commenced, many of them without regard to present traffic, and without reference to the means or the cost of raising the necessary capital for their construction; and speculative, visionary and fraudulent schemes of every kind attracted the cupidity of those who, from a position of comparative penury, found themselves in a few short years, or even months, the possessors of considerable fortunes. At the same time, the European demand for American produce begot a corresponding demand on the part of the States for the productions and luxuries of Europe, which, increasing rapidly, while the famine pressure on this side of the Atlantic was gradually diminishing, turned the current of gold away from the American continent, and absorbed a large proportion of the Californian supplies. As the basis of circulation became thus contracted, the competition for money to carry on the unduly expanded trade, and to uphold the railway and other speculations to which the season of prosperity had given birth, increased in intensity; and, to supply a circulating medium in the place of the gold that had been withdrawn, a number of free banks were established. The principle upon which the business of these banks was conducted was, practically, but a slight degree removed from that of unrestricted paper issues; and the result was that the country became speedily inundated with a paper currency which was all but worthless. Ostensibly the circulation of these banks was founded upon state securities; but no check appears to have been imposed against the actual market value of those securities being exceeded by the amount of issues, nor any particular regard paid to the solvency of the co-partners. A system of banking established upon such a basis, of course, was unable to resist the slightest pressure; and, upon the slightest symptom of a "run," one after another these new free banks gave way, public confidence was destroyed, and the financial catastrophe, which, by a timely contraction of the circulation, might have been averted, was hastened.

Were it not for the reflection that these failures always entail ruin upon hundreds of innocent persons, the accounts given in the American papers of the ingenuity with which some of them were established, and the capital for carrying on their business

created, would be positively amusing. Take, for instance, the Eighth Avenue Bank, of New York. The report of the special agent, appointed by the superintendent of the banking department to examine into the affairs of this bank, after it had suspended payments, reports that it was organised on the 9th of August, 1853, with a nominal capital of 100,000 dols., divided into 2,000 shares of 50 dols. each, which shares were subscribed for, in various proportions, by thirteen persons, who constituted themselves the board of directors. Of the 100,000 dols., not a cent, it appears, was ever paid in money. One of the directors made over a bond or mortgage of 1,500 dols., and the others gave notes of hand, payable in six months, and which, at the expiration of that period, were renewed, the aggregate amount of this paper capital being 56,000 dols. When the bank stopped payment in October, it held about 44,000 dols. in savings banks and other deposits, and had upwards of 100,000 dols. of its notes in circulation.

Besides their notes of hand, it appears the directors are indebted to the bank to the extent of nearly 40,000 dols. on bills and over-drafts, of which 23,000 dols. may be realised; but with regard to the directors' stock notes—that is, the capital of the bank—the agent reports that it is utterly impossible to make any estimate of what may be realised upon them, “for the reason, that they (the directors) do not admit any liability on said notes, but intend to contest the same.”

The toleration of such a system of fraud naturally tends to lower the standard of commercial honesty, and to demoralise the community amongst whom it is practised. The exposures which have taken place in New York furnish ample proof of this. There we have instances of the managing directors of public companies making surreptitious issues of shares to four or five times the authorised amount, and putting the money thus obtained into their own pockets—of the paid servants of banks trading with the bank capital on their own account, and other acts of dishonesty, for which the delinquents ought to be made amenable at the felons' bar. Here is one case out of many, reported in the New York papers of November:—

“We learned yesterday of a breach of trust on the part of the paying teller of the National Bank. The young man, whose name is Thomas R. Howland, thinking that the bank did not show sufficient liberality in the way of discounts, and finding on hand a good supply of bank notes, took the business into his own hands, and issuing the bank notes, took in their place good bills, receivable at a high rate of interest. The bills receivable he put in his own pocket, and the bank notes appeared in his account as in the vault. We have looked over the list this morning, and must say that the young man was a good judge of paper. A better line of bills receivable is not on the books of any bank in this city. The bank immediately confirmed his judgment by transferring the paper to



their books, and thus saved Howland's sureties from a dollar of loss. The young man has, of course, lost his place; but, with such eminent financial ability, he cannot be long in want of employment.

"As the bank takes the paper of him at legal interest, and he bought it at a high shave, we suppose he has made a few thousands upon which he can now embark in the business on his own account. With no more honesty or capital, and much less shrewdness, some of the Western and New York wild cat banks have done a thriving business during the last few years."

Commenting upon another case of defalcation—that of the principal teller of the American Exchange Bank, who had defrauded his principals of some 80,000 dols., by certifying worthless cheques, in order to extricate himself from difficulties in which speculation had involved him—one of the newspapers recommends the banks, "in consequence of the frequent commission of this offence within the last few months," to re-model their system of business, with the view of protecting themselves from fraud. These details tend to show that the speculative spirit engendered by the causes before mentioned, and encouraged and maintained by reckless and baseless bank issues, has produced a loose standard of commercial morality, which, even when the causes are removed, it may take years wholly to eradicate.

Generally, there is good reason to hope that the financial part of the difficulty is rapidly passing over. New York appears, by the latest accounts, to have partially recovered. The specie and deposits in the banks are increasing, while their circulation is being contracted, and public confidence is returning; and in the western states, where credit formed still more extensively the basis of business, where speculation was more rife, the competition for money much greater, and where, in consequence, the severity of the crisis was more severely felt, it would seem that the worst has gone by. A considerable number of the western banks which, in the first instance, yielded to the pressure, have resumed business. Others, as the Indiana banks, are taking up their state securities and reducing their circulation. The run has ceased at Chicago, and the merchants have agreed to receive the notes of the free banks. The Virginia banks—which, though amongst the soundest in the states, were threatened by the temporary run upon the important house of Selden, Withers, and Co., the state financial agents, with which most of them were connected—have recovered from their alarm; and of Ohio, where speculation was carried to greater excess, perhaps, than in any other state of the Union, the *Times* New York Letter tells us that "the difficulties are less than might have been anticipated, under the circumstances; and when the speculators shall have been cleared out, and those struggling and willing to pay any price

for money compelled to break, the opinion is that the mass of the people will find themselves rich and prosperous." In all the states it appears that the free banks were the first to give way, and where such institutions did not exist, we learn that there have been no failures of importance.

Considering her immense resources—her grain and cotton crops, and the yield of her gold fields—it would be next to impossible for a financial crisis in America to continue for any great length of time; and if the experience which she has gained during the comparatively brief period of difficulty from which she is now recovering should lead her, as it no doubt will, to take steps for diminishing the severity of such vicissitudes in future, by placing the circulation of her banks on a firmer basis, she will have learned that, while prosperity is not an unmixed good, adversity, though an evil in itself, is one from which permanent advantages may sometimes be derived.

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#### COMMERCIAL MORALITY.

THE details of investigations in bankruptcy very frequently present features in trade which, if they do not actually involve fraud, are only a shade removed therefrom, and carry with them all the moral responsibility attaching to such a system of business. Formerly, it was the retail trader who was the type of a class figuring in the reports from Basinghall-street, in connection with these transactions. Subsequently, it was the wholesale trader who, in his turn, was found to have victimised his creditors in Lancashire and Yorkshire, through spurious credit and fictitious representations. Now, unfortunately, those who have arrogated to themselves the title of merchants are discovered to have adopted almost every species of trickery and deceit to conceal their progress; and, when interfered with, they have not hesitated to add positive forgery and direct fraud to their catalogue of misdeeds.

Disgraceful as many of the cases on record are, few equal, if any exceed, that of Mr. J. W. Cole, whose late examination before the Commissioners is included in our legal miscellany. Having been convicted on a charge of circulating fictitious warrants, the creditors of his estate, which is placed under bankruptcy administration, have been anxious, previously to his disposal by Government to serve out his term of imprisonment, to obtain some information relative to his trading. Humiliating, indeed, was the spectacle, to witness the once reputable individual introduced in the custody of the criminal authorities, and

to hear, from his own lips, a confession of a course of business which it is evident, from what has recently transpired, has had successful imitators in more than one quarter. The revelations of his personal transactions, making every allowance for the circumstances in which he is placed, have been of the most remarkable description, and show the slight basis on which commercial credit may be reared. Were it not that the facts he himself has stated come vouched with the authority of an examination, conducted on behalf of his assignees, many would feel inclined to doubt their veracity—the startling nature of the admissions producing effect even upon the most experienced in the conduct of such investigations.

Here is a man trading as a merchant, under the title of the firm of Coles Brothers, who, when he suspends payment, can furnish no intelligible account of his transactions; who further avers that he had no partner, and that the whole of his enormous liabilities have been incurred without capital—his early resources being loans from friends. And this, it will be remembered, is not the confession of an inexperienced beginner—of one who had within a few years started on his own account. It is, on the contrary, the statement of an individual who before enjoyed some position in the mercantile world, but who, through the wide-spread distress following the crisis of 1847-48, was then compelled to seek relief by bankruptcy. It was after he had once passed through the Court—his affairs then having experienced a rigorous inquiry—that he had the hardihood to commence this career of trading, which has terminated so disastrously. But, from the commencement, it is almost clear that he contemplated a series of gigantic speculations.

He kept no regular books—a mere draught invoice folio and rough letter book, he alleges, sufficed to represent, so far as his clerks were concerned, his various operations, frankly remarking that they would have been “spoilt” if he had permitted a journal to have been written up; and hence his cheque ends and his banker’s pass books are to be accepted as satisfactory sources whence a cash account is to be prepared for an amount involving, in one year’s trading, about two millions of money. It is not surprising, in such a state of things as this, to ascertain that when he fails, his debts and liabilities exhibit an aggregate of nearly half a million, and that the assets are not only small, but that they are also of a most unpromising description. Probably, had Mr. Maltby, the wharfinger, who is supposed to have been the accomplice of Cole in the issue of duplicate warrants, survived to take his trial at the bar of the Old Bailey, the public would have obtained a further insight to the daring

expedient; they were compelled to pursue to keep alive their credit; but his death has thrown a veil over that part of this melancholy narrative, which it is scarcely politic to attempt to withdraw.

The great consideration which attracts attention is, the available resources which enabled this bold adventurer to enter, with such apparent success, into the arena of mercantile speculation, after his first heavy bankruptcy. Credit, and that to an almost unlimited extent, he must have obtained at a period when, according to his own showing, he was wholly bare of capital, and possessed nothing but his experience and address to deceive. The loans that he speaks of must have been raised for temporary purposes, and if secured by documents similar to the worthless papers he was so ready to deposit in the more desperate days of his career, fortunate it is for the parties interested that he, by some lucky hit in copper, tin, or spelter, realised a profit and repaid them. But it seems difficult to suppose that those who were in close connection with this man, knowing his antecedents, both in trading and speculation, could be wholly blind to his proceedings; and if this were so, there are others to blame besides himself.

Through the several channels in which trade permeates, good and ill report will alike circulate with regard to character and prospects, and it is almost impossible to conceive that Mr. J. W. Cole was so free from suspicion that not a breath was ever raised against him. He is, however, now paying the penalty of the vicious system of trading which he voluntarily fostered, and the exigencies of which no doubt caused him to plunge deeper than he originally intended in a series of misdemeanours, which have compromised, for a lengthened period, his liberty.

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## THE FINANCES OF ENGLAND.

BY M. LEON FAUCHER.

It remains to be shown that the burden of the war, which the Russian Government has thus imprudently provoked, is capable of being sustained with comparative ease by the nations of the west of Europe. France and England, at the moment of taking up arms, were suffering from the effects of the extraordinary rise in the price of grain following the harvest of 1853. Russia, on the contrary, had profited from the same circumstance; and the exportation of corn, sold at very high prices, had occasioned the influx of large sums of money into the southern provinces of the empire. In spite, however, of their temporary depression (and without being, as some have represented, inexhaustible in the amount and extent of their resources), the two nations possess, in the combined tributes of impost and credit, the means of continuing the contest as long as circumstances may render it necessary.

The finances of Great Britain have been regulated upon a footing of peace, but at the same time with a margin sufficiently wide, and upon a basis so eminently solid, that the resources necessary for carrying on the war can be exerted at any moment without difficulty. For upwards of twenty years, under the domination of both Whigs and Tories, the Government has constantly laboured to ameliorate the condition of the nation, by diminishing the burden of the public expenses, and in placing the system of imposts upon a better and more equitable footing. In effecting this object there are two ministers especially entitled to credit—Mr. Huskisson, who was the first to recognise and proclaim the fact, that low tariffs, imposed upon articles of large and general consumption, are the most productive; and Sir Robert Peel, who succeeded in putting an end to the reign of protection, in relation to industry and commerce, as well in reducing the duties on imports which weighed upon foreign merchandise, as in freeing from all duty alimentary commodities and the raw materials of labour. The system inaugurated by Mr. Huskisson, of which Sir R. Peel appears to have determined the limits, tends to realise the ideal of civilisation in its material sense, viz., cheap living and high wages; and the result is not only an increase of comfort and dignity for the workman, but also an addition of power to the state, in the certitude of commanding a population disposed by ease and contentment for the sacrifices which the public interest may require. Previous to the reforms of 1842 and 1846 the indirect taxes, viz., those levied upon articles of consumption, furnished almost exclusively the revenue of the state. Direct contributions, or those which affected personal or landed property, figured in the Budget only in form. Tribute was imposed, not in direct proportion, but in the inverse ratio to the fortune possessed. The Treasury demanded from the landlord a contribution almost nominal, whilst, on the contrary, it pressed heavily upon the tea, sugar, coffee, beer, and bread of the labourer and artisan. The Budget was, in fact, spent by the rich, and paid by the poor. Sir R. Peel has succeeded in demonstrating the truth of the axiom, that reform is a preventive of revolution: the re-adjustment of the tariff renders useless the re-adjustment of power; and for this reason the tempest of 1848 found England unassailable. To Sir R. Peel we are also indebted for the introduction, or rather extension, of the principle of direct taxation in the financial system of England, under the form of income tax. Without doubt the same end might have been accomplished by political and scientific means less contestable; but the tax upon income possessed the sanction of long usage in England, and the nation had become familiarised with its mechanism. It is a war tax accommodated to a time of peace. The results have exceeded the most sanguine anticipations: in a financial point of view the Government has been enabled effectually to close the era of deficit, the receipts of the Treasury since this epoch having invariably exceeded the expenses.

Year by year the English Parliament, the only assembly in Europe upon whom such a task has devolved, has had to deliberate upon the employment of an excess varying from two to three millions sterling; and year by year it has been enabled to devote this sum, either to the remission of taxes,\* or to the liquidation of the national debt. At the commencement of 1854, and the moment when the armies of the west passed from a footing of peace to that of war, the English exchequer had in reserve a clear and nett provision of nearly £3,000,000 sterling.

In the explanation which took place on the 7th of March last in the House of Commons, Mr. Gladstone estimated the extraordinary expenses occasioned

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\* The total amount of the taxes abolished, or reduced, since the year 1842, up to and including that of 1850, was £10,763,000, sterling.

by the war, from the 5th April, 1854, to the 5th April, 1855, at £4,307,000. Thanks, however, to the surplus which remained from the revenue of the previous year, it became necessary to provide, by means of extraordinary resources, only for a deficit of £2,840,000; and, as the proceeds of the income tax were estimated at upwards of six millions per annum, by carrying the whole of this sum to the revenue of the first six months (i.e., doubling the tax for the half year), the Chancellor of the Exchequer would obtain an increase of £5,307,000, which, besides serving to make good the temporary deficiency, would leave a margin of nearly half a million to meet unexpected contingencies.

The contrivance was ingenious, but evidently insufficient for the purpose; and the Chancellor himself was not slow to recognise, and as early as possible to repair, his error; two months subsequently—viz., the 9th May—a fresh financial statement was submitted to the House of Commons. In this second edition of the Budget, the “dot” of the war was permanently assured.

On the 7th March, the Chancellor of the Exchequer, in presenting a summary estimate of the receipts and expenditure for the financial year about to commence, estimated them respectively at £53,349,000 and £56,189,000; in the latter sum, the service of the Army and the Marine, which usually fluctuates between sixteen and seventeen millions, figured for upwards of twenty-five millions.\*

It was understood, in this combination, that the deficit would be fully covered by the proceeds of the income tax, which had been doubled for the six months; the amount, as calculated by Mr. Gladstone, being £3,307,000 sterling. In his exposition of 9th May, the Chancellor demanded authority to increase the service of the war by the amount of £6,000,000. If we add to this a credit for £850,000 (concerning the employment of which the minister has not thought proper to offer any explanation), there appears a total of £63,039,000 for the expenses of the year, extending from 5th April, 1854, to 5th April, 1855. To meet this excess it was proposed to levy new taxes to the amount of £6,850,000. The total of the resources, ordinary as well as extraordinary, reaches then to the sum of £63,506,000; a margin of £450,000 being reserved for unforeseen contingencies.

In conformity with the usage which prevails in England, we have here given, in a statement of the receipts and expenditure, the sum of the nett revenue;

\* Here are the estimates of 7th March, which served also as the basis of those submitted on 9th May following :—

<i>Revenue.</i>		<i>Expenses.</i>	
Customs ... ..	£20,175,000	Funded Debt ... ..	£27,000,000
Excise (indirect impost)	14,595,000	Floating do. ... ..	546,000
Stamps ... ..	7,090,000	Civil Expenses, Justice,	
Assessed Taxes ...	3,015,000	and Administration,	
Income Tax ... ..	6,275,000	&c., charged to the	
Post Office ... ..	1,200,000	Consolidated Fund ...	2,460,000
Crown Lands ... ..	259,000	Army ... ..	6,857,000
Sundries ... ..	740,000	Marine ... ..	7,488,000
		Ordnance ... ..	3,846,000
		Commissariat ... ..	645,000
		Miscellaneous Supplies..	4,775,000
		Militia ... ..	530,000
		Expedition to the East .	1,250,000
		Packet Service... ..	792,000
To which must be added			
the proceeds of the			
Income Tax, doubled			
for six months ...	3,307,000		
Total .....	£56,656,000	Total.....	£56,189,000

but, in comparing these estimates, arranged in the order observed by other countries, it would be necessary to charge in addition the expenses of collection, &c., which are taken upon the gross revenue. These cannot be estimated at less than four millions and a-half for current service, which carries the receipts to £68,006,000, and the expenses to £67,539,000. Thus the Budget of 1854 approaches nearly to £68,000,000 sterling: the nation has rarely shown itself more liberal of its treasures; it would be necessary to retrace its annals as far as the year 1816 to find a similar example. The expenses of 1853-4, estimated at £52,183,000, have not in reality exceeded the sum of £51,171,000. By a rare exception, and one which it would be expedient to propose for the imitation of continental Europe, the English Government has expended a million less than it had demanded, and has received a million more than it had ventured to anticipate. The Budget of 1854, compared with that of 1853, exhibits a difference of about £12,000,000; this sum represents the amount of the expenses entailed by the war; but, as there remained a disposable surplus from the revenue of the latter year, the deficiency is thus reduced to £10,000,000. By what means has the Government proposed to provide for it?

The most important resource will doubtless be derived from the tax upon income. This tax, which was originally at the rate of sevenpence in the pound, is now augmented to one shilling and twopence, or a little less than 6 per cent. (exactly speaking,  $5\frac{1}{100}$  per cent.), and yields a supplementary revenue of £6,587,000 sterling; the total of the tax for the whole year is consequently raised to £12,862,000, a sum which equals, within a few thousands, the combined proceeds of the landed and property taxes of France.\*

It may be demanded why the English Government, which derived without difficulty, by means of an augmentation of the income tax, two parts of the sum appropriated for the expenses of the war, had not simplified its proceedings by elevating the rate a little higher, and thus have dispensed with the necessity of either creating or modifying other descriptions of impost? At the rate of 8 per cent. the income tax would have yielded upwards of £17,000,000 sterling. What landlord or capitalist would have objected to pay one-twelfth of his income? Is there a country in the world where the landed taxes, when established, do not bear in a heavier proportion? The productions of capital in Great Britain would still have been taxed, during a time of war, less severely than they are everywhere else during a time of peace.

But the Chancellor of the Exchequer, who had recently introduced into the financial system a duty upon succession, was naturally fearful of exaggerating the direct taxation, and, by surcharging the results, to compromise the dawning fortune of the principle. Equity appeared to counsel him not to impose the entire burden of the war upon those who were entitled to a certain degree of exemption, or to a single class of the population. He preferred, consequently, to demand the third part of the tribute from indirect imposts, which affect consumers of all kinds indiscriminately.

With this view, he has increased the duty (1) upon spirits, which will probably furnish an additional sum of £450,000;—(2) upon sugars of all countries, whence he hopes to obtain £700,000 more;—(3) and lastly, upon malt, the tax levied upon which has been raised from 2s. 8½d. to 4s. per bushel; Mr. Gladstone anticipates from this source, which at the lower rate of duty produced about £5,000,000 annually, a supplementary sum of

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\* The revenue from the land tax has been valued for the year 1854 at 214,345,193 francs, and that of the tax upon personal property at 63,782,941 francs; total of the two imposts, 328,128,134 francs (about £13,000,000 sterling).

£2,450,000. The total revenue derived from the malt tax will consequently amount to nearly seven millions and a-half sterling, or £2,400,000 more than all the spirits, wines, beer, cider, &c., together yield in France. This latter part of the ministerial plan was also sanctioned by the Parliament as well as the rest, but with an assent perhaps a little less unanimous. Mr. Gladstone urged that the malt tax had, since the year 1816, experienced a successive and considerable reduction; that the tax upon beer, which was in some measure a double application of one and the same impost, had been entirely abolished; and lastly, that other descriptions of spirits were much more heavily burthened, and that it was only strict justice therefore to assimilate it in a great degree to the general tariff. Hitherto the assimilation of the taxes had been conducted by means of reduction, in moderating the most elevated, and not by means of augmentation, in exaggerating the lowest.

It was reserved for Mr. Gladstone to give this contradiction to the principles which Sir Robert Peel had bequeathed to his colleagues, and of which the Chancellor himself had hitherto been so successful an advocate. But a graver question arises: has the Government of Great Britain adopted the wisest policy in demanding wholly from taxation those resources which could have been furnished equally well through the medium of its credit? The reasons for this preference have been deduced with much force and perspicuity by the Chancellor, in his statement of the 7th March:—

“ It is not possible for the Government, it is not possible for the House, it is not possible for the country, to give an absolute pledge, or to record an immutable resolution, to defray the expenses of the war by the augmentation of taxation; but it is possible for us to do this,—to put a stout heart on the matter, and to determine that, so long as these burdens are bearable, and so long as the supplies necessary for the service of the year can be raised within the year, so long we will not resort to a system of loans. The reasons which militate against an appeal to capitalists, the reasons which oppose our placing these expenses to the charge of posterity, are numerous and grave. I do not presume to lay down principles for the guidance of other nations, but there is no country which has played so deeply at this dangerous game as England, there is no country which has mortgaged the industry of future generations to so frightful an amount. Other states may have had their motives for acting differently. Take America, for example. With her hands free, without a debt, with a standing surplus, nothing could be more natural, nothing more intelligible, than the course which she adopted, when, in annexing a portion of territory to her own, she contracted a loan for the purpose of defraying the expenses of the war which she had undertaken for this object; because, according to every rational principle in matters of impost, she knew that this temporary excess of expenditure would be regained in the course of two or three years, and covered by the regular surplus of the revenue; and, therefore, she avoided, and wisely avoided, introducing any perturbation in her system of taxation, in order to provide for an embarrassment which was not durable. The same doctrines may be applied to other countries. Look at our great and powerful neighbours the French: the public debt of France, although very considerable, cannot enter into comparison for a moment with that of England. I regret to say it, but such is our superiority in this respect, that the debt of England not only exceeds that of any other country separately, but that of all the other countries in the world put together. Every one who has taken part in the financial administration of this country must be aware to what an amount of evil such a situation has given rise; what grievous charges it has entailed upon the people; how many useful works it has prevented us from either undertaking or terminating; how much our power to aid and encourage the enterprises of philanthropy, as well as the progress of civilisation, has been crippled by the crushing weight of our permanent debt. Those, therefore, who would increase it, except under the pressure of an imperious necessity, incur a grave responsibility. Even on economical grounds alone it would be unwise to do so. Mr. Mill says: ‘ The capital employed by the state in the form of loans is abstracted from the funds previously engaged in production, or about to be applied



to this purpose, and the effect of thus diverting them from their original destination is equivalent to taking the amount from the wages of the labouring classes.' Without, however, embarking in the abstract reasonings of political economy, all the world must admit that, in demanding subsidies from the taxes, the sum required is furnished out of the savings which constitute for each contributor the excess of income over his expenditure; whilst, in having recourse to a loan, we bear directly upon that part of the nation's capital which is found immediately disposable for the requirements of industry and commerce.\* Considering the subject in a less scientific point of view, M'Culloch, in his work upon Taxation, says, with reference to the question of a war expenditure:—

"The industry and economy of individuals can alone compensate effectually for the prodigality and waste occasioned by a war. To put these virtues into practice, it is necessary that every man should be made fully aware of the influence which the war exercises over his private fortune or means of subsistence. The radical defect of the loan system consists in its deceiving the public on this point, by not immediately affecting their property or comforts. Its encroachments are gradual and almost unperceived; it exacts only small sacrifices for the moment, but it has ever "*pestigia nulla retrorsum*." Such a system is essentially delusive and treacherous: it occasions the imposition of tax after tax, without the probability of their ever being repealed, so that, before the public become awakened to a sense of their condition, their property and industry are found to be encumbered with a much larger permanent payment, on account of the interest of the debt, than that to which they would have been required to submit by defraying the expenses of the war in proportion as the necessity arose.

"Strong, however, as appear to me the economical reasons for adopting this policy, I am of opinion that the moral reasons in its favour are no less powerful. The expenses of war are the moral check which the Almighty imposes upon the ambition and lust of conquest inherent in so many nations. There exists an attraction or excitement about war which tends to invest it with a certain charm in the estimation of the public, and to cause them to shut their eyes to the evils which it occasions. The necessity of providing, year by year, for the expenditure which war entails is a salutary and wholesome check. Men are by this means brought to reflection, and prompted to measure the advantages which they anticipate with the sacrifices necessary for their attainment."

It is undoubtedly the duty of every government to preserve the future intact, whenever they can justly and securely do so; but it would not be convenient to exaggerate the consequences of this doctrine, or to erect it, without regard to circumstances, into a fixed and immutable principle. The war has for its object partly a present advantage and partly the peace and security of the generations to come; in the latter view of the case, loans are undeniably legitimate, and there would be neither equity or prudence in carrying the expenses of the struggle integrally to account of taxation. As to the distinction invented by some political economists in England, viz., that taxes draw only upon the excess of the revenue, whilst loans intrench upon the capital of the nation itself, it is a subtlety which appears to us unworthy of the science to

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\* The precise words made use of by Mr. Gladstone were as follows (*Vide Times*, of 7th March): "Without, however, entangling ourselves in the abstract arguments of political economy, I believe that few will be found to dissent from the truth of this proposition: that, in raising supplies by new taxes, the necessary sum is made up by the amount which each man takes from his surplus of income over expenditure; while, if we obtain the supplies by having recourse to loans, we act directly and to the full extent on that portion of capital which is immediately available for trade. In the one case we get a large portion of what we want out of a superfluity of capital; in the other (though I do not mean to say that circuitously the same effect would not ultimately be produced in each case), we go at once to the fountain head of capital, on which the activity of trade and the cheapness of production depend."

which they belong. Industrious nations are in the habit of effecting annually upon their revenue certain savings, which constitute that which is termed, in the language of political economy, the accumulation of capital; and as it rarely happens that the individual possessor of this great instrument of labour is himself in a position to turn it to account, credit steps in and appropriates it: it is lent, consequently, either to speculators for employment in the pursuits of industry and commerce, or to the Government, upon whom devolves the important function of maintaining order in the state. When the latter borrows, therefore, does it in reality divert from their destination the funds engaged in the purposes of industry, as Mr. Mill asserts? That can scarcely be possible, for in such a case it would be necessary to oblige the manufacturers and tradesmen, who have received this capital and incorporated it with their business, to refund it upon demand; such a proceeding would be equivalent to an immense and universal expropriation. As to the capital which remains available, it is true that the state by its competition may exclude other borrowers from the market, but at the same time I cannot admit that the amount of this capital is levied upon the wages of the labouring classes. In a time of war, industry, when it is prudent, instead of running after enterprises, seeks rather to moderate and restrain them. The money, therefore, which the state could not absorb would run the risk, under these circumstances, of remaining altogether idle; with a diminished consumption (at least it cannot be supposed to augment), production would not select this moment to expand itself into fresh creations of material. The loans contracted in prospect of a war do not consequently deprive the workman of his bread; it affords him, on the contrary, employment under another form, by exciting the movements of the arsenal when those of the workshop begin to slacken.

It is also entirely gratuitous to suppose that the subsidies of the war, when raised by means of taxation, are levied upon the superfluity of the nation, or the available excess of its revenue. Taxes address themselves, in fact, to all classes of contributors, being equally obligatory upon all, and condemn them indiscriminately to the same sacrifices in proportion to their means, whether they live upon the interest of their capital or upon the fruit of their labour—the tax is therefore levied as well upon the superfluities as upon the necessities of life—as well upon the revenue as upon the funds which serve to produce it. The ordinary taxes, those, viz., which are invariable, or which vary but little, end by incorporating themselves with the expenses of production, and appear in deduction of the nett proceeds. The extraordinary taxes, on the contrary, attack most frequently the sources of capital itself; necessity serves in some measure to justify them; they may be, under the circumstances, the least of two evils, but we should never succeed in erecting them into resources "*normales*." In order that the war taxes should only affect the superfluity of the nation, it would be necessary for each contributor to hold his savings in reserve: by this means the accumulation of capital everywhere is effected by a small number of hands; for, with those even that possess the necessities, labour does not always bring forth abundantly, and the spirit of prudence and economy rarely precludes at the employment of the products. The immense majority of individuals, probably from the example afforded by the Governments, scarcely make both ends meet, or balance the transactions of the year with a deficiency.

It would appear that private property is not, in this respect, much better administered than the public fortune. In increasing the taxes, therefore, we incur the risk of demanding the money principally from those who require it. Loans, on the contrary, being optional for the subscribers, affect only those who possess funds in reserve, or the holders of available capital, the true treasurers of the country. A war tax is only completely successful when it addresses itself, as at the present time in England, to the upper classes,

or draws upon the pockets of the wealthy; but then it is only another form for a loan in disguise.

Mr. Gladstone, in explaining the policy of the English Government under these circumstances, had better arguments at command than the theories of those economists whose names he invoked, and who, never having succeeded to the management of public affairs, want, in matters of impost and of credit, the necessary amount of experience which constitutes authority. These arguments, which were furnished him by the income tax, the Chancellor of the Exchequer, who had neglected the means afforded by this impost on the 7th March, exposed on the 9th May following, in a passage of his discourse, which will serve as an excellent "*morceau*" of history. The following is an abridgement of it :—

"I have before my eyes the war Budget for the year 1792. Mr. Pitt, having to provide for an extraordinary expense of £4,500,000, endeavoured to meet it, not by replenishing the exchequer with the proceeds of the taxes, but by recourse to the capital of the city, and opening a loan for six millions sterling. This loan he had hoped to obtain at the rate of 4 per cent., but he was compelled to give an interest of £4 3s. 6d. (a little more than 4½ per cent.). The second step made in the same direction was a loan of £11,000,000, contracted in 1794, at the rate of £4 10s. 9d. (4½ per cent.). In 1795, he borrowed £18,000,000, and paid for this sum £4 15s. 8d. per cent.; in 1796, he borrowed £25,000,000, at £4 13s. 5d. per cent.; in 1797, £32,500,000, at £5 14s. 10d. per cent.; and in 1798, £17,000,000, at £6 4s. 9d. (6½ per cent.); and such was the impurity of the sources from which he drew, that for the last-named £17,000,000 he received, he was necessitated to add £34,000,000 sterling to the debt of the country; and further, in the financial operations of these six years, unsuccessful and inefficient for the exigencies of the war, in adding, in hard money, a sum of £108,500,000 to the coffers of the exchequer, he surcharged the capital debt of the country by about £200,000,000 sterling. I proceed now to explain the course which Mr. Pitt pursued when he became sensible of his error. Seeing the country thus hastening to ruin, and all its resources exhausted, he resolved to make a courageous effort to retrieve himself. The first attempt dates from 1797: at this time he proposed to raise £7,000,000 by means of assessed taxes. This plan miscarried, and the Treasury received only £4,000,000. The following year, nothing daunted by his failure, Mr. Pitt returned to the charge, and proposed to raise £10,000,000; and from this time forward his whole career was one series of continued and convulsive efforts to recover himself, to extricate his country from the frightful consequences of the former laxity, and to provide against the recurrence of similar circumstances. I believe I should not be exaggerating, if I were to assert, that of the capital of the national debt, as it stands at present, not less than £250,000,000 has been added to it, for which the nation has never received a single penny.\* That was the opening of the sinking fund;† they were continually buying up stock, at 3, 4, and 5 per cent., and creating, at the same time, at a higher rate; it acted like a seton in the human body, a perpetual drain on the resources of the country, in addition to the other sad circumstances of the time. But, as I said before, the effort of Mr. Pitt was one that ought to be placed upon record; he saw the error of rushing, on the first inducement, to a loan; he saw and

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\* Much of the evil here complained of originated in the practice which obtained of funding in a stock bearing a low rate of interest, by proportionally increasing the amount. Supposing, for example, that interest was at 5 per cent., and Government wished to borrow in 3 per cent. stock, they would give £166½ stock for every £100 paid into the exchequer. By thus affording greater scope for speculation, it is supposed that Government was enabled to borrow on lower terms at the time; but, by disabling them from reducing the interest on such loans at the close of the war, when the market rate of interest uniformly falls, it has been productive of an annual expense to the nation of about £7,000,000.

† More correctly the re-opening, the sinking fund having been originally established by Sir R. Walpole in 1716; subverted in 1733, it was again instituted by Mr. Pitt in 1786.

lamented the effects of that want of moral courage, not in himself alone, but in the country, for undoubtedly he represented the public sentiments of the country in what he did. It was the error of the nation, and God knows the nation suffered for it. And, therefore, after six years of war, and in the midst of the exhaustion which it produced, Mr. Pitt proposed to add no less than 4 per cent. to the revenue of the country by means of an income tax. In 1798 the revenue was £23,100,000; in 1799 it was £25,600,000; but the excess showed that it was not possible to keep it down altogether, even by these aids. Subsequently, in 1803, the revenue had increased to £38,600,000, and in 1805, the last year of Mr. Pitt's life, it amounted to no less than £50,900,000—a further increase of £12,300,000, with a view to the expenses of the war. In 1805 the Marquis of Lansdowne was Chancellor of the Exchequer; the full income tax was put on, and raised the revenue from £50,900,000, in 1805, to £59,300,000, in 1807, being an increase of £8,400,000. From 1806 to 1816 the revenue was never below £60,000,000, and more than once amounted to no less than seventy millions. Those were the views which Mr. Pitt and his successors entertained—that was the idea they had of their duty to their country and posterity. What is our case? We are enjoying the fruits of forty years' peace, and the reduction of our burdens to a marvellous extent. We now come to demand from you the means of carrying on a just and necessary war, which has been forced upon us, by adding to the taxation of the country a sum of £10,000,000. Are you unable to do now what Mr. Pitt and the Englishmen of 1798 did then, when the population of the country was not half so great as in the present day? Their imports were not one quarter of the imports of the present day; their exports and their trade were not one-third of the exports of the present day, for where they had an export of £33,000,000, you have now an export of £98,000,000. Such is the indomitable vigour, and such the wonderful elasticity of our trade, that even under the disadvantage of a bad harvest, and under the pressure of war, the imports from day to day, and almost from hour to hour, are increasing; and the very last papers laid on the table, within forty-eight hours, show that within the last three months of the year there is £250,000 increase in your exports. This is your position, and these are the circumstances under which we wish to appeal to you, in the hope that you will consider that appeal just and reasonable."

The Parliament and nation have both discharged their duty. Mr. Gladstone has succeeded in obtaining for the year 1854 the same extraordinary credit of £10,000,000,\* which Mr. Pitt, in the tardy discovery of the error which he had committed, had wrested from the Parliament of 1798.

From 1801 to 1810 the amount of impost which the English people sustained averaged, yearly, £5 12s. 1d. per head; in the second decennial period of the century this sum, according to the calculations of M'Culloch, declined to £3 15s. 6d.; and in the corresponding third period experienced a further fall to £2 0s. 5d. Who can entertain a doubt that England is in a position at the present day, with her vast accumulation of capital, to support a fiscal contribution equal, or even superior, to that collected by the exchequer thirty years since? At the rate of £4 7s. 4d. per head, which represents the Budget of 1815, the United Kingdom, with its 27 millions of inhabitants, could increase the annual tribute of its receipts to £120,000,000; and consequently appropriate for the prosecution of the war—the interest of its debt discharged, and all other services liberally provided for—a sum of £80,000,000 sterling, sufficient, if necessary, for arming the whole of Europe.

In 1813, at the crisis of the war then waging against France, England devoted to her military expenses a sum scarcely inferior, viz., £72,000,000.

\* Independently of a surplus which had been rendered available for current expenditure of two millions. In addition, Parliament enabled the Chancellor to raise a working capital, in anticipation of the new taxes, by exchequer bonds and bills, to the amount of six millions. Other supplementary votes for the services were also passed: the navy vote was upwards of twelve millions, including three millions for transports; and over and above all this, a vote of credit was taken to the extent of three millions, available for any purpose in connection with the war.

It will be perceived from this statement that the resources of the English Government, in matters of impost, are almost illimitable. Arkwright and Watt, in multiplying the power of production by means of their mechanical inventions, have done more for the grandeur of their country than all the victories (subsequently expiated by the Republic and the Empire) have effected for France. The genius of these men is developed at the present day in all ranks of the people. England possesses in the highest degree the two forces requisite for putting the material in movement and rendering it productive—that is to say, the science of labour and accumulated capital. From 1815 to 1843 the increase in the revenue of the landed property of the kingdom has been calculated at 62 per cent.; the receipts of the wealthy (*aisée*) classes, upon whom the income tax principally bears, are valued at the present time at nearly £240,000,000. Porter, taking £30 as the lowest limit of income, estimates them at £320,000,000. The progress in the value of commercial exports, from 1830 to 1854, has been at the rate of 150 per cent; the tonnage of the merchant marine has doubled since the commencement of the century; and to complete the catalogue of the marvels effected by the wealth which industry and commerce has engendered, it will suffice to remark that, within the last twenty years, private enterprise has undertaken the construction, upon the British territory, of 12,000 kilometres (about 7,500 English miles) of railroads, representing a capital of £360,000,000 sterling, of which nearly two-thirds have been completed, and yield to the proprietors a revenue which exceeds that of many a second-rate kingdom. In fine, Porter has estimated the annual savings, or regular accumulation of capital, in England at £80,000,000.

We have thus passed in review the resources of the various branches of impost: let us now proceed to say a few words with reference to the credit of the country. Nothing can be more legitimate than the hesitation evinced by the Government in again having recourse to a system of funded loans, and thereby aggravating the burden of a debt, which at the conclusion of the last war had accrued to upwards of £600,000,000,\* and the interest of which

		Principal.	Interest.
* The debt at the commencement of the French war,			
in 1793, was ... ..	£233,733,609	£8,176,336	
Disso, in 1817, when the English and Irish exchequers			
were consolidated ... ..	833,471,803	31,020,573	
Our author states that the charge for interest of the debt has diminished by only 75 million francs (a little less than £3,000,000) during forty years; but this is incorrect. At the peace of Paris, in 1815, the debt exceeded 864 millions, and the annual charge upon it 41 millions; whereas, on the 5th of January last, it was only 770 millions, and the charge 28 millions, showing a decrease of 94 millions, principal, and 13 millions, interest. If, however, he takes the year 1817 as the basis of his calculation, his statement will approximate more closely to the fact, as will be seen from the following table.			
		Funded.	Unfunded.
Debt in 1817 ... ..	£776,742,403+	£56,729,400=	£833,471,803
Do. in 1853 ... ..	754,893,401+	16,029,600=	770,923,001
Decrease ... ..	£21,849,002+	£40,699,800=	£62,548,802
Annual charge in 1817 ... ..	£29,310,454+	£1,710,119=	£31,020,573
Do. " 1853 ... ..	27,436,194+	368,651=	27,804,845
Decrease ... ..	£1,874,260+	£1,341,468=	£3,215,728

This is exclusive of the diminution in the annual charge effected by the commutation of various stocks, &c., in the Chancellor's financial operations of last year, which, according to his own estimate, amounts to about £130,000,

at the present day entails an annual expense of £28,000,000, absorbing half the amount of the gross revenue; but, at the same time, no greater error could be committed than that of attempting to construe this salutary reservation into a proof or an avowal of inability to do so. The 3 per cent. Consols, notwithstanding many adverse circumstances which have contributed to affect the market, are still quoted (August, 1854) at 92; that is to say, 20 per cent. higher than the French 3 per cents., and 70 per cent. higher than the Russian  $\frac{1}{4}$  per cents. From this, it is clearly apparent that capitalists have greater confidence in the Government of the United Kingdom than those of all the others in Europe. Besides, England is at the present time in a position to borrow without augmenting the charges of its ordinary Budget. The extinction of the long annuities in 1860 will reduce the debt by a capital sum of about £20,000,000, equivalent to an annual charge of one million and a quarter sterling.\* Thus, at the present price of Consols, the Exchequer, for one million and a quarter of interest, could readily obtain more than £36,000,000; or, spread over the intervening period, from 1855 to 1860, nearly £4,000,000 per annum, without adding a farthing to the interest of the public debt. Is not this a position which must serve to fortify the confidence of the allies of England, and no less to counsel prudence to her enemies?

In addition to this catalogue of financial resources, there remains, in conclusion, to be noticed, the floating or unfunded debt, which fluctuates at the present time from 18 to 20 millions, but in the year 1815 amounted to no less a sum than 52 millions sterling. Of these Exchequer bills, a considerable portion is taken by the Bank of England, the remainder generally finding their way into the hands of the great capitalists in the city. Here, then, is another resource which is capable of extension. The Government, whenever it may not be disposed to increase the amount of the funded debt by borrowing, will possess the alternative of augmenting the issue of Exchequer bonds. A floating debt of £30,000,000 need not surely excite uneasiness in a country where capital is continually in quest of investment; and, whatever may be the expenses of the State, the progress of the national wealth proceeds still more rapidly.

#### THE NEW STAMP ACT, 17 AND 18 VICT., CHAP. 83.

WE present our readers with further questions addressed to the Commissioners of Inland Revenue, and their replies, extracted from the *Times*.

It will be seen, the Commissioners re-considered one of their replies, and corrected it. This is not the first time this has occurred, and shows the necessity of framing statutes in a more intelligible manner. The stamp laws require to be made in accordance with the customs and dealings of parties they affect. The amount of duty is often very small, compared with the property at stake. A bill of exchange for thousands of pounds may depend for its validity upon sixpence more or less in the stamp.

We are free to acknowledge the courtesy shown by the Commis-

\* These annuities, which originated in 1780, and were granted principally as premiums or bonuses to the subscribers to loans, amounted, on 5th January, 1853, to £1,172,555 16s. 6d. for Great Britain, and £120,170 15s. 6d. for Ireland—total £1,292,726 12s. 0d.

members of Inland Revenue, in replying to the various questions they receive; but, when they are unable to arrive at a definite view of questions in their department, how can the public be expected to do so?

“Change-alley, Oct. 24.

Sir,—I beg to forward you the enclosed correspondence for the information of the public, and would call particular attention to the opinion held by the Board of Inland Revenue, that, ‘as regards the duty on bills drawn abroad in sets payable in this country, each part of the bill is liable to the duty on an inland bill.’

As respects such bills, the understanding is certainly general in the city that, provided one part of a set bear a stamp equivalent to the duty payable on an inland bill, the holder is not bound to put any stamp on any of the parts which he may annex thereto.

I am, sir, your obedient servant,

W. GRAIN.”

“QUESTIONS REGARDING THE STAMP ACT, 17 AND 18 OF VICTORIA,  
CHAP. 83.

The 1st clause, repealed from and after the 10th of October, 1854, the laws then in force imposing certain stamp duties payable in Great Britain and Ireland in respect of inland bills of exchange and promissory notes, and new duties are imposed in lieu thereof.

The act then goes on to impose, for the first time, a duty in respect of bills of exchange drawn out of the United Kingdom, but no reference is made to promissory notes made abroad, but payable or negotiated within the United Kingdom. Are such promissory notes to be treated as not coming within the operation of the new act, and therefore wholly exempt from duty?

The fourth clause throws a protection over an innocent holder of a bill of exchange, which, though purporting to be drawn abroad, may have been actually drawn within the United Kingdom, provided the new duty shall be paid by the party taking the same. Will this protection be extended to a promissory note in the case of its purporting, though incorrectly, to have been made abroad, but the holder whereof shall, on its coming to his hand, have forthwith annexed and duly cancelled an adhesive bill of exchange stamp, of value to cover a bill of exchange of the same amount as such promissory note?

The fifth clause requires the holder of a bill of exchange, drawn out of the United Kingdom, and not having a proper adhesive stamp affixed thereon, to fix an adhesive stamp previously to presenting such bill for payment, &c. Will this preclude merchants abroad from drawing bills on forms sent from this country with the duty indicated by a stamp impressed by a die on the paper, and not by an adhesive stamp?

Under the fifth clause, the following questions also arise:—

Assuming that the sixth clause has exclusive reference to bills of exchange drawn within the United Kingdom, there is nothing to prevent two parts, or one part only, of a bill drawn from and payable abroad, from being negotiated within the United Kingdom. Will it, then, be sufficient, in the case of a bill, for example, for £300, drawn, or purporting to be drawn, in a set of three from a foreign country, and payable abroad, if the holder, who has received only two of the parts of which such bill consists, put the adhesive stamp of 1s. on each of such two parts, if he transfer both, or on one only, if he transfer but one, the other remaining in his hands?

This is important, as it frequently happens that the first bill is sent to the

drawee abroad for acceptance, and never comes into this country, and the second, or second and third, are negotiated here.

Is the sixth clause to be construed as having exclusive reference to bills drawn within the United Kingdom?

Clause ten allows drafts to be drawn on adhesive receipt stamps. Would a banker be warranted in paying a draft 'to order' drawn on a receipt stamp, the amount of duty being impressed on the paper, and not indicated by an adhesive receipt stamp?

Must the words 'on demand' be expressed in drafts drawn on the penny draft stamp? Attention is called to this point, as drafts payable on the amount being demanded are frequently expressed to be drawn 'at sight' on 'presentation,' or, in foreign languages, in words corresponding with these terms; or an order is simply given thus—'Pay A. B., or order.'

If the duty on a bill of exchange drawn from abroad be paid by means of two or more stamps of the proper denomination, and taken together, of sufficient amount, instead of one only, will that be considered a compliance with the act?

If a bill of exchange dated from abroad, and payable in this country, be drawn in a set, must the duty be paid by one or more stamps on one part of the set, or may separate stamps be put on the several parts, provided the aggregate duty thus paid be equal to or exceed the single stamp payable on an inland bill of the same amount?

The undermentioned penny stamps have been issued:—

An adhesive stamp, bearing the words 'Draft stamp; one penny.'

A die stamp, with the words 'Draft on demand.'

An adhesive receipt stamp.

A receipt stamp impressed by a die.

A bill or note stamp impressed by a die,

A bill stamp impressed by a die, and bearing the words, 'Foreign bills in sets, one penny.'

An adhesive foreign bill stamp, bearing the words, 'Foreign bill, drawn out of the United Kingdom.'

Would not the purposes of the revenue be answered, and the public convenience consulted, by the issue of two stamps only of a penny each—one being impressed by a die, and the other adhesive; abolishing all the above enumerated distinctions, and making the stamps alike applicable to bills of exchange, promissory notes, cheques, drafts, orders for the payment of money, and on receipts?"

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"Inland Revenue, Somerset-house, London,  
Oct. 21st, 1854.

Sir,—The Board of Inland Revenue have had before them your letter of the 12th inst., submitting a paper containing several questions relative to the operation of the Stamp Act, 17th and 18th Victoria, cap. 83. I am directed to state that promissory notes, if drawn out of the United Kingdom, are not subject to any duty. The fourth section of the act does not extend to promissory notes, but only refers to bills of exchange.

With regard to your inquiries relative to the fifth section, I have to state that, as only adhesive stamps can be used for denoting the duty on bills drawn out of the United Kingdom, merchants abroad cannot draw out their bills on stamped forms. The holder in this country of bills drawn abroad in sets should put the adhesive stamp on each part in his possession, and, if not drawn in sets, the foreign bill stamp of the same amount as the duty on an inland bill of exchange.

The 6th section refers exclusively to bills drawn within the United Kingdom, payable abroad.



The 10th section, relative to the use of receipt stamps, to denote the duty of one penny on drafts payable to the bearer or to order on demand, or the use of draft stamps for receipts, refers entirely to adhesive stamps, and therefore a draft cannot legally be drawn on paper with an impressed receipt stamp.

I may observe that the words 'on demand' ought to be expressed in drafts drawn on the penny stamp; but a bill at sight, or on presentation, is liable to the ordinary duty on a bill of exchange.

With regard to affixing two or more adhesive stamps on bills drawn abroad, it is held that it would not be contrary to law to do so, but the safer course is, to use one stamp only to denote the duty payable.

As regards the duty on bills drawn abroad in sets, payable in this country, I have to state that each part of the bill is liable to the duty on an inland bill of exchange. With reference to your concluding inquiry, as to whether one impressed to denote the duty of a penny, and an adhesive stamp of the like amount, could not be used to denote indiscriminately the duty of that amount payable on receipts, bills, promissory notes, or drafts, I have to state that your proposal would be inconsistent with the objects for which the present stamps are provided.

The receipt stamps are both impressed and adhesive; because it may happen that persons could not immediately procure, when wanted, the former description of stamps, but they can always be provided with the latter.

The impressed stamps are, however, generally preferred by persons who keep books of receipts, which they get impressed with the stamps, and are then saved the trouble of affixing and cancelling them on each occasion of their use. The two descriptions of stamps, therefore, promote the public convenience, and facilitate the means of complying with the law.

The use of an adhesive draft stamp for a receipt, and of an adhesive receipt stamp for a draft, is permitted by a provision introduced into the last act of Parliament, with a view to the public convenience; but a single stamp is now in preparation, to be used for either of these purposes.

The impressed bill stamp for foreign bills in sets is designed for such bills drawn in this country to which it is not intended that adhesive stamps should be applied. It is necessary, also, that there should be an adhesive stamp for bills drawn out of this country liable to the same amount of duty.

I have perhaps unnecessarily entered into this detailed explanation, showing the necessity for the different kinds of stamps; but it may be more satisfactory to you to know the grounds on which they are provided.

W. Grain, Esq.

I am, sir, your obedient servant,

THOMAS KEOGH."

"Bank of England, Oct. 26, 1854.

MY DEAR SIR,—I am quite sorry to trouble you further on questions arising under the new Stamp Act; but I am rather puzzled at the answer you have given to Mr. Grain, with respect to bills in sets drawn abroad, and payable in the United Kingdom.

Will you, therefore, allow me to ask if you mean that each bill of the set is liable to the full duty on a single inland bill of the same amount?

In other words, supposing that I am the holder of two parts of a bill for £1,500, are both these parts liable to the full duty of 15s., or only to 5s. each?

If you hold that they are both liable to the full duty of 15s., then double duty is exacted; and, in the latter case, one-third of the duty would be lost to Government.

I raise this question simply on this ground:—It is the most common of,

practices to draw bills abroad in sets, send the first for acceptance, and negotiate the second or third, affixing a note at the bottom, that the first is with 'A. B.'

The first is claimed by the holder of the second; and, as the latter contains all the indorsements, the two are pinned or wafered together, and form one bill, liable, I think, as in the case of a £1,500 bill, to the duty of 15s.

The third, probably, never makes its appearance.

Now, we hold a large number of bills in this condition, on one of which the full duty, as for a single inland bill, is indicated by the appropriate stamp; and, as they are maturing every day, and paid without hesitation on presentation, it is of importance that the point I have raised should be clearly understood.

I am, my dear sir, yours very truly,

Thomas Keogh, Esq., &c.

M. MARSHALL."

"Inland Revenue, Somerset House, Nov. 3, 1854.

MY DEAR SIR,—I have laid your letter before the Board, and the subject has been carefully re-considered.

I have now to acquaint you, that it is the opinion of the Board, that, although a bill drawn abroad, and payable in this country, may be in duplicate or triplicate, it only represents one transaction, and that is liable to the duty on one inland bill of the same amount.

The practice of the Bank, as described by you, is, therefore, correct.

I am further directed to state, that, although the Board desires to pay the most respectful attention to every question, and give all the information in its power, yet that the public ought to recollect that the opinion of the Board can have no authority in a court of law, and that it would be safer and more expedient, on every ground, for parties to apply to their own legal advisers for the solution of doubts on the construction of acts of Parliament.

I am, my dear sir, yours very truly,

M. Marshall, Esq.

THOMAS KEOGH."

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## TRIAL OF THE GOLD AND SILVER COINAGE.

On Thursday, the 7th of December, the ceremony known as "The trial of the Pyx" was performed at the Exchequer-office, Whitehall-yard. Four years have elapsed since the last previous trial was made, and it was noticed, as a very singular fact, that the proceedings have very rarely been chronicled, and that, consequently, the public have been left in a state of ignorance of a matter in which they are intimately concerned—namely, the purity and proper value of the current coin of the realm.

The Lord Chancellor arrived at half-past nine o'clock, at which time four privy councillors were summoned to meet him. The learned Lord was alone until a quarter to ten, when the Chancellor of the Exchequer and Sir E. Ryan arrived. The necessary number was not, however, complete, and although Mr. Cardwell entered shortly afterwards, a considerable delay ensued. A messenger was despatched to the Court of Exchequer, and, at a few minutes past ten o'clock the Chief Baron arrived in his full judicial robes.

The Lord Chancellor, who was accompanied by the Deputy Sergeant-at-Arms, the Mace Bearer and the Purse Bearer, then took his seat, and the court was opened, there being present—Sir John Herschel, the Master of the Mint; the Chief Assayer, the Superintendent, the Melter, the Coiner and other principal

officers of the Mint; Mr. George Smith Hayter, the Prime Warden, and other officers of the Goldsmiths' Company, the Queen's Remembrancer, &c.

On the table, before the Lord Chancellor, were "the pyx," or boxes containing samples of "the gold moneys coined by Sir John Frederick William Herschel, K.H., Master and Worker of Her Majesty's Mint, and delivered into the office of receipt of the said Mint from the 16th day of December, 1850, to the 30th day of June, 1854—the said moneys being coined after the rate of 46 29·40 sovereigns to the pound weight troy, of the standard of 22 carats of fine gold, and 2 carats of alloy, pursuant to act of Parliament the 56th of George III., chapter 68, sec. 11, and the Mint indenture bearing date the 6th of February, 1817." The amount of the gold moneys represented was £28,838,534 16s. 10d. The pyx also contained samples of the "silver moneys coined by Sir John Frederick William Herschel, K.H., Master and Worker of Her Majesty's Mint, and delivered into the office of receipt of the said Mint from the 16th day of December, 1850, to the 30th day of June, 1854—the said moneys being coined after the rate of 66 shillings to the pound weight troy, of the standard of 11oz. 2dwt. of fine silver and 18dwt. of alloy, pursuant to the act of Parliament the 56th of George III., cap. 68, sec. 11, and the Mint indenture bearing date the 6th of February, 1817." The amount of the silver moneys represented was £1,030,005 1s. 3d. These returns were duly certified by Sir John Herschel, and by Mr. W. H. Barton, the Deputy Master and Controller of the Mint. There was also a large bar of standard gold, by comparison with which the new coinage has to be tested.

The Queen's Remembrancer administered the oath to the following gentlemen (all goldsmiths and silversmiths), who composed the jury:—Mr. James Garrard, of Pinner; Mr. James Henderson Watherston, of Henrietta-street, Covent-garden; Mr. Henry John Lias, of Myddleton-square; Mr. John Grey, of Billiter-square; Mr. Richard Fownes Wingrove, of Wood-street; Mr. Henry Sykes Thornton, of Birchlin-lane; Mr. George Grenfell Glyn, of Lombard-street; Mr. William Summers, of Great Marlborough-street; Mr. George Matthews, of Hatton-garden; Mr. Jeremiah Fuller and Mr. Josiah Sharp, of the Assay Office, Goldsmith's Hall; and Mr. Henry John Lias, jun., of Myddleton-square.

The Lord Chancellor, in addressing the jury, said,—the object for the attainment of which they had assembled was one of very great importance—namely, the securing of the due state of the coinage, and preventing it being debased. In former times, he believed, the proceeding the jury were now about going through was adopted before the coin was issued, but in modern times that was not the case. Security was now taken for the coin before it was issued, that it was in conformity with the former standard, and that was held to be sufficient. The ancient custom, however, of preserving some of the old coin, was continued. Whether that was very essential, or whether it afforded the same security as in former times, was not for them to speculate upon, and he did not, therefore, feel called upon to make any observations on it. The oath the jury had taken imposed upon them the duty of testing the coin which had been issued since the last trial, four years ago—namely, in 1850—to ascertain whether it was in conformity with the weight and standard which the law required. The jury were probably aware that the course which was formerly taken between the Sovereign and the Master of the Mint was this:—The Master of the Mint entered into a deed with the Crown to make the coin in conformity with the legal standard, and successive Masters of the Mint had executed similar indentures. That custom had been altered, and, instead of a new indenture being executed by each Master of the Mint, it was held sufficient that he should be bound by the last that was executed—namely, that of Mr. Wellesley Pole, afterwards Lord Mornington, when he was Master

of the Mint. Shortly before the issuing of the new silver coinage, in 1816 or 1817, an act of Parliament was passed, whereby certain alterations were effected as to the silver coin, the alteration being this—that for every 66 shillings, the number into which a pound of silver was to be coined, the person bringing the silver was to receive 62; but he believed that no alteration was made in the standard of fineness. With regard to the gold coinage, no alteration was made beyond a provision that, when the coin of the new denomination should be issued, instead of guineas and half-guineas, there should be some proportion preserved between the new coin and the old guineas, half-guineas, and seven-shilling pieces. Mr. Wellesley Pole, soon after the passing of the statute, executed the deed under which successive Masters of the Mint should coin up to the present time; but it was proper that he (the Lord Chancellor) should explain that, in the year 1850, when Sir John Herschel, the present Master of the Mint, was appointed, a report was made, recommending material alterations in the constitution of the Mint; and, in consequence of that report being made to Her Majesty in Council, an order was made, dispensing with all the regulations of the indentures, and simply imposing upon the Master of the Mint to issue the coinage in conformity with the statutes which related to them. Having turned the matter over in his mind, he (the Lord Chancellor) did not think that circumstance would interfere with the duties of the jury; for, although the order in Council dispensed with the indenture, it must be taken to mean that, though it dispensed with all the Mint regulations, it did not alter, in any respect, the duties of the Master of the Mint in relation to the fineness and weight of the coins he wished to issue. The duty of the jury would be to take into their custody the coins which had been set apart in the pyx or box from 1850 up to the month of June last, to which period their present trial was to extend. Their duty would be to take those coins and compare them with the standard fineness of gold and silver, and to ascertain that each of those coins had been issued in conformity with that standard. To be absolutely in conformity with the standard, might appear impossible. By the utmost exertion, it might be impossible to get one lump of metal so to correspond with another, that there shall be no assignable difference between them; and, contemplating that circumstance, it was always allowed to the Master of the Mint to have what was called “a remedy,” the derivation of which he (the Lord Chancellor) did not comprehend, and, therefore, could not explain. The difference allowed to the Master, however, was very minute. To one carat in the pound of gold, the Master was restricted; if he kept within that, it was held that he had performed his duty. He was not quite sure that he was right in this; but if he had made a mistake, the jury would be put right upon the point. He believed that, for the last century, upon the suggestion of a very eminent predecessor of his (Lord Talbot), it was agreed that the jury should find, not only that the amount was within “the remedy,” but that they should ascertain and declare how much. The jury would now proceed, according to the terms of their oath, to examine the gold according to the standard, and, he had no doubt, they would discharge their duties conscientiously and with ability. He might add, that he should be happy to receive their verdict in the Court of Chancery, on the next morning, at a quarter-past ten o'clock. A piece of the standard was then clipped off, for the purpose of guiding the jury, and the boxes were conveyed to Goldsmith's-hall, whither the jury proceeded, and the remainder of the day was occupied in the necessary examination. On the following day (the 8th), the jury waited upon the Lord Chancellor at Lincoln's-inn, to deliver their verdict on the state of the new coinage. Mr. Prideaux, the secretary to the Goldsmiths' Company, handed in a lengthened report, from which it appeared that the gold and silver, which they had minutely examined, was of the required weight and fineness;

indeed, that there was an advantage, rather than otherwise, in favour of the public. The Lord Chancellor expressed his satisfaction with this result, and ordered the verdict to be recorded. In the evening, a grand banquet was given, at the Goldsmiths' Hall, to the Lord Chancellor, the Chancellor of the Exchequer, the Lord Chief Baron, Sir E. Ryan, Sir John Herschel, and other persons of distinction.

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#### BANK OF ENGLAND DISCOUNTS.

OBJECTIONS have been taken to a practice in the discount system of the Bank of England, exclusively adopted by that establishment, which often leads, it is considered, to great individual hardship. Whenever the acceptor of any bill which they may hold under discount is announced to have stopped payment, either temporarily or otherwise, they send to the person for whom it was discounted, requiring him to refund its amount forthwith, even although it may have nearly three months to run. Against this course, two remonstrances are urged—first, that it is virtually a breach of contract; and, next, that it is calculated to aggravate the difficulties any suspension may occasion, since it is hard enough for the drawer to have to protect the bill at its maturity. To the first of these the obvious reply would be that, if the demand involves a breach of contract, it need not be complied with; but it is complained that there is no choice, inasmuch as resistance would end in the person being deprived of his discount account altogether; but the fact is, that the advance is simply one upon security, and there is a fair and customary understanding in such cases, that if the security becomes depreciated the borrower shall at once meet the difficulty. With regard to the second point, there can be no question that the sudden and often totally unexpected calls which the practice involves might increase commercial distrust, in some cases by causing the drawer to stop as well as the acceptor, when, if allowed the interval before the real maturity of the bill, he would have been able to arrange everything, and in others by inducing him promptly to secure the Bank at the ultimate expense of the general creditors. In the latter instance, however, the responsibility rests with him, and not with the Bank; while, as respects the general question, as it is optional for the public to take their bills to that institution, or elsewhere, they cannot properly complain of conditions to which they have voluntarily rendered themselves liable. It is likewise to be assumed that, although the rule is stringently enforced in an ordinary sense, exceptional circumstances are always taken into consideration; and at the same time there can be little doubt that the constant liability to be called upon to provide for any weak paper that may have been sent in, must be beneficial in stimulating a wholesome prudence on the part of the Bank customers, both with regard to the persons on whom they draw, and the maintenance of a reserve of means to meet any accidents that may occur.

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#### TRADE OF THE UNITED KINGDOM.

THE Board of Trade returns for the month ending the 5th of November were issued on the 2nd of December, and again show a diminution of exports as compared with the corresponding month of 1853, the falling off being £593,158. Looking, however, at the inflation of the shipping business which prevailed at this time last year, and which caused the return on that occasion to exhibit the extraordinary increase of

£1,312,360, this reduction is not greater than might have been anticipated, even if nothing had occurred to check the ordinary activity of commerce. Contrasted with the same month of the year before last, when the country was considered in a state of unprecedented prosperity, the present figures exhibit an augmentation of £719,202. They show, likewise, that the contraction which has been going on during the past few months can be attributed to the war only in a very limited degree, since it is in articles suitable for the American and Australian markets that the principal stagnation has been felt. Thus, in the following table, which shows the exact increase or decrease in the shipments under each head, woollen and linen manufactures, haberdashery, ready-made clothing, and metals, are the prominent items on the unfavourable side:—

DECLARED VALUE OF EXPORTATIONS.

Month ending Nov. 5.	1853.	1854.	Increase.	Decrease.
Alkali—viz., soda ... ..	£35,451	£30,351	—	£5,103
Beer and ale ... ..	69,590	64,899	—	4,691
Butter ... ..	33,375	31,563	—	1,812
Candles ... ..	11,492	17,995	£6,503	—
Cheese ... ..	11,810	5,562	—	6,248
Coals and culm ... ..	124,758	151,275	26,517	—
Cordage and cables ... ..	16,973	12,980	—	3,993
Cotton manufactures ... ..	1,563,791	1,713,536	149,745	—
Cotton yarn ... ..	597,734	519,384	—	78,350
Earthenware ... ..	102,960	83,245	—	19,715
Fish ... ..	65,478	46,952	—	18,526
Glass manufactures ... ..	41,018	41,199	181	—
Haberdashery and millinery	259,700	156,122	—	103,578
Hardwares and cutlery ... ..	298,478	293,036	—	5,442
Leather... ..	121,563	119,160	—	2,403
Linen manufactures ... ..	853,761	248,201	—	105,560
Linen yarn ... ..	98,781	66,096	—	32,685
Machinery ... ..	193,270	122,771	—	70,499
Metals ... ..	1,058,216	882,495	—	175,721
Oil and seeds ... ..	43,000	71,689	28,689	—
Painters' colours, &c. ... ..	23,416	27,963	4,547	—
Salt ... ..	18,504	17,975	—	529
Silk manufactures... ..	86,875	57,388	—	29,487
Silk, thrown ... ..	33,111	10,537	—	22,574
Silk, twist, and yarn ... ..	19,260	29,282	10,022	—
Soap ... ..	13,289	19,326	6,037	—
Stationery ... ..	60,040	47,848	—	12,192
Sugar, refined ... ..	23,080	4,683	—	18,397
Wool, sheep or lambs' ... ..	31,513	51,924	20,411	—
Woollen manufactures... ..	620,387	472,078	—	148,309
Woollen yarn ... ..	137,349	157,353	20,004	—
<b>Total... ..</b>	<b>6,168,026</b>	<b>5,574,868</b>		

The aggregate value of our exports during the first ten months of the year has been £73,302,066, against £73,155,755 in the like period of 1853, showing the trifling increase of £146,311, which has occurred in the following manner:—

Month ending	Increase.	Decrease.
February 5 .. .. .	—	£368,748
March 5 .. .. .	£344,784	—
April 5 .. .. .	993,572	—
May 5 .. .. .	—	747,527
June 5 .. .. .	409,457	—
July 5 .. .. .	934,908	—
August 5 .. .. .	377,105	—
September 5 .. .. .	—	449,130
October 10 .. .. .	—	754,952
November 5 .. .. .	—	593,158

As compared with the same period of 1852, there has been an increase of £14,054,962.

With regard to imported commodities, while the quantities of grain taken have fallen to a lower point than has been witnessed for some years, there has been a general increase in the consumption of other articles of food and luxury, such as to indicate that the extent of employment among the labouring population must have been more satisfactory than was supposed—a result to be attributed, probably, to the great prosperity of the agricultural classes. Tea, coffee, sugar, wines, spirits, tobacco, fruits, and spices, have all been largely used.

Subjoined, are the quantities of provisions, &c., imported and taken for home consumption:—

Month ending Nov. 10.	Imported.		Home Consumption.	
	1853.	1854.	1853.	1854.
Grain, wheat, quarters .. .. .	425,866	75,518	425,866	75,518
Grain of other descriptions, qrs ..	151,074	83,915	151,074	83,915
Indian corn, quarters .. .. .	58,865	41,733	58,685	41,733
Flour and meal, cwt. .. .. .	302,513	29,381	302,513	29,381
Provisions—Bacon, pork, lard, cwt.	22,321	21,019	Free.	Free.
Butter and cheese, cwt. .. .. .	73,403	75,955	72,420	75,290
Animals, No. .. .. .	44,429	27,691	Free.	Free.
Eggs, No. .. .. .	—	—	—	—
Cocoa, lb. .. .. .	858,789	112,008	321,195	326,962
Coffee, British, lb. .. .. .	3,245,568	5,466,783	1,907,012	2,202,026
Ditto, foreign, lb. .. .. .	2,221,302	1,035,012	628,203	437,655
Total coffee .. .. .	5,465,870	6,501,795	2,535,215	2,639,681
Sugar—				
West India, cwt. .. .. .	188,608	388,406	240,644	268,405
Mauritius, cwt. .. .. .	50,200	53,722	71,206	36,422
East India, cwt. .. .. .	96,977	56,440	86,214	36,729
Foreign, cwt. .. .. .	143,020	244,370	152,954	254,676
Total sugar .. .. .	478,805	743,138	551,018	596,232
Tea, lb. .. .. .	2,936,578	2,388,257	4,303,590	4,458,989
Rice, cwt. .. .. .	182,500	59,247	64,630	61,421
Spirits, gallons .. .. .	907,502	731,333	405,632	421,828
Wines, gallons .. .. .	1,025,609	859,859	575,693	588,233
Opium, lb. .. .. .	27,793	508	3,891	5,519
Tobacco, lb. .. .. .	5,765,210	3,394,885	2,200,761	2,215,504
Currants, figs and raisins, cwt. ..	121,666	67,028	42,641	50,179
Lemons and oranges, bushels ..	15,687	15,158	14,877	13,886
Spices, lb. .. .. .	507,371	916,468	376,568	401,106
Ditto cwt. .. .. .	1,253	1,414	466	419

The following are the comparative imports and exports of raw material, showing a diminution under each head, partly from the exclusion of Russian produce, and partly from the increased caution of manufacturers :—

Month ending Nov. 5.	Imported.		Exported.	
	1853.	1854.	1853.	1854.
Flax, cwt. . . . .	210,669	82,735	—	—
Hemp, cwt. . . . .	192,017	125,484	—	—
Raw silk, lb. . . . .	313,630	297,312	21,489	97,721
Cotton, cwt. . . . .	283,043	272,579	62,374	83,357
Wool, lb. . . . .	10,182,235	5,694,753	1,111,138	2,728,989
Tallow, cwt. . . . .	228,474	78,936	—	—

Of silk manufactures the totals stand thus :—

Month ending Nov. 5.	Imported.		Home Consumption.	
	1853.	1854.	1853.	1854.
Silk manufactures of Europe, lb...	46,566	45,691	43,663	43,161
Ditto, of Indian pieces ... ..	28,731	12,694	6,568	9,377

The importation of other articles during the month has also been on rather a diminished scale. In dyes and dying stuffs there has been a considerable decrease of almost all kinds except cochineal. Metals likewise shew a general falling off, with the exception of steel and lead. In oils there has been an increase of palm, olive, and rapeseed, and a decrease in other descriptions. The extraordinary increase, long observable, in the importation of glass manufactures, still continues. In timber, both as regards importation and consumption, there has again been a great increase of colonial and a decrease of foreign.

## LOANS TO FOREIGN STATES.

On the motion of Mr. Hume, a Parliamentary paper has just been issued by the Treasury, giving an account of all sums of money paid or advanced by way of loan, subsidy, or otherwise, to any foreign state from the year 1792 to the close of 1853. From this it appears that we have in that period advanced to—

Russia .. .. .	£9,413,434	3	8
Russian sufferers .. .. .	200,000	0	0
Russian-Dutch loan .. .. .	4,136,836	11	7
Portugal .. .. .	9,433,355	8	9
Portuguese sufferers .. .. .	100,000	0	0
Germany .. .. .	7,936,666	13	4
Prussia .. .. .	5,669,885	19	3½

Carried forward.. £36,890,178 16 7½



					Brought forward	£36,890,178	16	7½
Spain	..	..	..	..	..	5,248,773	2	7½
Sweden	..	..	..	..	..	4,845,571	13	0
Austria	..	..	..	..	..	4,211,111	2	0
Sicily	..	..	..	..	..	2,734,415	0	0
Hanover	..	..	..	..	..	2,480,107	13	3
Minor Powers under engagements with the Duke of Wellington						1,733,528	18	4
Holland (fortifications—Netherlands)	..	..	..	..	..	1,529,765	2	8
Hesse Cassel	..	..	..	..	..	1,271,107	13	7
German Princes	..	..	..	..	..	700,000	0	0
Sardinia	..	..	..	..	..	592,000	0	0
Greek loan	..	..	..	..	..	503,602	16	5
Bavaria	..	..	..	..	..	501,017	6	0
Hesse Darmstadt	..	..	..	..	..	263,581	12	6
Prince of Orange	..	..	..	..	..	220,000	0	0
France	..	..	..	..	..	200,000	0	0
Brunswick	..	..	..	..	..	125,086	14	8
Denmark	..	..	..	..	..	121,917	16	0
Baden	..	..	..	..	..	26,990	0	10
Morocco	..	..	..	..	..	16,371	3	3
Total						£64,215,126	11	9

Of this immense sum, the only items to which Mr. Wilson has attached the word "repaid" are £200,000 of the £220,000 advanced to the Prince of Orange in 1799 and 1813, and the £200,000 advanced to France in 1814. There are no advances since 1816, except upon the Russian-Dutch loan, to Holland, and the Greek loan. The Russian-Dutch loan commenced in 1816, and has continued every year since, the last payment in 1853 having been £88,577 7s. 5d. The advance to Holland for the fortification of the Netherlands commenced in 1818, and terminated in 1820. The Greek loan commenced in 1843, and has been continued ever since, the last payment, in 1853, having been £47,637 1s. 2d. The loans or advances to Baden, Hesse, Darmstadt, and Brunswick, all ceased prior to the commencement of the present century. The first advance to Russia was in 1799, and the last recorded was in 1816.

### MERCANTILE SUSPENSIONS.

SINCE the appearance of the *Bankers' Magazine* for December only one metropolitan failure of consequence has occurred. Although difficulties have existed in the Australian trade, where the pressure, through the absence of remittances, has been general, they have been in all cases surmounted, a disposition being exhibited to allow time. Through the severity of the American panic, further failures are announced from New York, Philadelphia, and Washington, but they are principally mercantile firms. Some few additional small banks have broken, but the particulars respecting them are so vague

and unsatisfactory that they cannot be readily detailed. In making a selection of the prominent firms, the following is a correct list to the latest date.

Nov.—George Milne and Co., Cincinnati, bankers.

Smead, Collard, and Co. (Citizens' Bank), Cincinnati, bankers.

Gilbert and Tuttle, New York, importers.

Dec.—Reeves, Buck, and Co., Philadelphia, iron manufacturers.

David Stewart and Sons, Baltimore, grocers.

Matthews, Finlay, and Co., New Orleans, bankers.

Selden, Withers, and Co., Washington, bankers.

J. Benson and Co., New York, sugar refiners.

Dennis Harris and Co., New York, sugar refiners.

Patterson, Adams, and Co., New York, tobacco manufacturers.

Carter and Co., London, ship-owners and brokers.

In the whole of the American failures the liabilities are large; and notwithstanding it is asserted that the creditors will receive good dividends, previous experience leads to a contrary conclusion. The failure of Messrs. Carter and Co. is explained by the annexed circular, which they have issued among their friends and connections. The house is described as very old and highly respectable, and their direct liabilities are estimated at £80,000. Their resolution to suspend, under the peculiar circumstances in which they find themselves, is stated to have been promptly formed, with the view of protecting equally the rights of all their creditors, and it is to be hoped that arrangements will be practicable, by which some resumption of their business may be effected:—

"11, Leadenhall-street, London, Dec. 16.

"We deeply regret to inform you that, in consequence of the trustees of Mr. Edward Oliver withholding from us certificates of his transports, to enable us to receive from the Admiralty the freights which we have advanced to him by our acceptances, we feel it necessary to refuse to liquidate such of those acceptances as are now current, and we have, therefore, decided to suspend payment this day.

"A statement of our affairs will shortly be prepared, and we do not doubt that we shall satisfy our creditors in full, and retain a handsome surplus in addition.

"We are yours truly,

"CARTER AND CO."

## THE BANK OF FRANCE.

THE *Moniteur* publishes the following monthly debtor and creditor account of the Bank of France, made up to the 14th of December:—

	DEBTOR.	£.	s.
Capital of the bank .. .. .	.. .. .	91,250,000	0
Reserve of the bank .. .. .	.. .. .	12,980,750	14
Reserve of the bank in landed property .. .. .	.. .. .	4,000,000	0
Bank notes in circulation .. .. .	.. .. .	484,605,900	0
Bank notes of the branch banks .. .. .	.. .. .	143,773,050	0
Ditto to order .. .. .	.. .. .	7,155,957	67
Receipts payable at sight .. .. .	.. .. .	10,011,227	0
Carried forward .. .. .	.. .. .	F.753,776,884	81

	Brought forward	..	..	F.753,775,884	81
Treasury account current creditor	..	..	..	67,026,718	63
Sundry accounts current	..	..	..	100,320,971	58
Ditto in branch banks	..	..	..	28,925,171	0
Dividends payable	..	..	..	518,529	25
Discounts and sundry interests	..	..	..	5,746,546	37
Commission on deposits	..	..	..	28,573	80
Re-discounted during the last six months	..	..	..	985,157	68
Protested bills	..	..	..	186,902	58
Sundries	..	..	..	5,673,999	6

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F.963,189,454 76

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	CREDITOR.	F.	G.
Cash in hand..	.. .. .	267,377,270	74
Cash in the branch banks	.. .. .	147,693,754	0
Commercial bills overdue	.. .. .	307,067	55
Commercial bills discounted, but not yet due, of which 62,892,348f. 68c. were received from the branch banks	.. .. .	134,353,572	7
Ditto in the branch banks	.. .. .	167,253,196	0
Advanced on deposit of bullion	.. .. .	886,300	0
Ditto by the branch banks	.. .. .	1,108,740	0
Ditto on French public securities	.. .. .	22,975,336	10
Ditto by the branch banks	.. .. .	6,466,900	0
Advanced on railway securities	.. .. .	49,822,500	0
Ditto by the branch banks	.. .. .	15,045,300	0
Advanced to the State on the treaty of June 30, 1848	.. .. .	65,000,000	0
Discount of Treasury bonds	.. .. .	30,000,000	0
Government stock reserved	.. .. .	10,000,000	0
Ditto disposable	.. .. .	55,448,559	82
Hotel and furniture of the bank	.. .. .	4,000,000	0
Landed property of the branch banks	.. .. .	4,444,120	0
Expenses of the management of the bank	.. .. .	930,490	46
Sundries	.. .. .	76,338	2

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Certified by the Governor of the Bank of France,

D'ARBOUR

It appears from these returns that the metallic reserve has diminished during the past month 29,843,121f. in Paris, and 2,410,455f. in the branch banks. The discount accommodation has increased both in Paris and in the departments—in the former 15,706,260f., and in the latter 16,008,847f. The advances on public securities have augmented in Paris 1,649,400f., and 512,100f. in the departments. The notes in circulation have decreased in Paris 839,500f., and 5,514,550f. in the departments. The treasury account current has increased 8,776,881f.; those of private individuals have fallen off 10,294,309f. in Paris, and augmented in the departments 3,183,510f.

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## Banking and Commercial Law.

### REVIEW OF THE PROGRESS OF BANKING AND COMMERCIAL LAW DURING THE YEAR 1854.

THE measures of the legislature, although not numerous, have yet effected some sweeping alterations ; and the decisions of the courts have settled or elucidated many interesting points, which we will briefly place before our readers.

The usury laws have been entirely abolished. There are now no qualifications or exceptions. It is lawful for a lender to take any rate of interest he can obtain, no matter what security he may have, whether it be land or otherwise. The act by which this is done is short, and far more perfect than the generality of modern acts of Parliament.

The new stamp act is, probably, a measure which more nearly affects banking and commerce than any act which has been passed for many years. Its chief objects are, to reduce the duty on inland bills of exchange and promissory notes, to impose a duty on foreign bills of exchange, and to curtail the circulation of unstamped cheques. Beyond these it has the further advantage of making some matters more simple than they were previously. On the other hand, it has caused much trouble to ascertain the exact meaning of some of its clauses, and others interfere with the ordinary course of business, from being drawn by persons ignorant of banking and commercial customs. Its merits and defects have been so fully discussed in these pages that we need not further allude to them.

The act to prevent fraudulent bills of sale is a well-intended, but very imperfect and questionable measure. It renders it necessary that bills of sale shall be filed in the Queen's Bench, with an affidavit of their execution. As regards its main object, we doubt whether that will be at all attained by it, and the statute is so obscure and defective that it must soon be amended. There is much doubt as to the kind of documents which will fall within the definition of bills of sale. There is no provision in the act as to how compliance with its directions is to be proved. In consequence of this, in the first case which has arisen under it, nobody knows what to do ; and, from the *Law Times*, we learn that the judge of a county court has adjourned a case several times, and yet cannot obtain what he considers sufficient proof of the filing of the bill of sale, although there is no doubt it has been filed. In the case of registering and enrolling deeds it is always provided that the public officer shall make an indorsement on the deed of the fact, which indorsement

is to be received by all courts as evidence of the fact. Something of this kind should be done in the present case. An affidavit is required by the act, but it does not state before whom such affidavit should be sworn. A singular instance of stupidity in the act, and of ingenuity of the fee-takers, has arisen. The act says, a fee of 1s. only shall be taken for filing a bill of sale, but it also goes on to require that an affidavit shall be filed with it. The officer, therefore, charges 1s. for filing the bill of sale, and 2s. for filing the affidavit. There is no doubt that the legislature intended 1s. to cover the entire expense of filing.

Foreign ships are now admitted to the coasting trade, and the laws relating to merchant shipping and seamen have been amended and consolidated into one act.

The bank acts relating to Scotland have been amended, as respects the right of lien over the shares of the proprietors, and the mode of signing bills and notes.

Better provision has been made for conducting legal proceedings on the part of provident and industrial societies of a particular class, which might well have been extended.

This statement seems to exhaust the labours of the legislature.

If we turn from the statutes to the other fountain of authority, the decisions of the courts, it will be found that the following are some of the points established. In *Bishop v. Countess of Jersey*, the Court of Chancery decided, on the facts of the case, that the partners were not responsible for the act of one of a firm of bankers; whilst, in the case of *Thompson v. Bell*, the Court of Exchequer, on somewhat different facts, held that a joint-stock bank was liable for the acts of one of the local managers. In *Ex-parte Maitland*, it was held that a managing committee of a railway company had authority to pass a resolution, that all cheques should be signed by three of their body, and that such cheques bound the shareholders. In an action against bankers, for refusing to pay a trader's cheques, they having, at the time of the refusal, sufficient assets of the trader, it was held he might recover substantial damages, without proof of actual damage, *Rolin v. Steward*. An alteration in the place of payment of a bill of exchange discharges the acceptor, *Burchfield v. Moor*. Adding a memorandum at the corner of a note, as to the amount of interest, is a material alteration, *Warrington v. Early*. The acceptor of a bill, by procuration, without authority, is personally liable, *Nicholls v. Drummond*. A bill of exchange accepted, but not signed, by the drawer, is not a bill, note, or security for money, within the carriers' act, *Stoessiger v. South Eastern Railway*. The power of directors of a bank to borrow was discussed, and some doctrines, injurious

to banking interests, were pronounced, in *MacLae v. Sutherland*. Fraudulent concealment of the cause of action, by the party liable, does not prevent the statute of limitations from running, *Imperial Gas Company v. London Gas Company*. A change of salary of a clerk, from a higher to a lower, is a release to a surety, *North Western Railway Company v. Whinray*.

## Legal Miscellany.

IN RE J. G. LACY.

*Court of Bankruptcy, Basinghall-street, Nov. 11. (Before Mr. Commissioner GOULBURN.)*

This was a dividend meeting in the case of John George Lacy, gun manufacturer, of Great St. Helen's, who obtained his certificate more than a year since.

Mr. Lawrance tendered a proof for £2,000 on the part of the North Western Bank of India, which was admitted.

Mr. Reed, for the assignees, applied to the Court to sanction an allowance to the bankrupt under the 195th section. The estate would have paid (without the present dividend) 6s. 6d. in the pound, and the assignees proposed to allow Mr. Lacy £200, which would enable him to purchase a small reversionary interest in the property of his wife. Although debts to the amount of £40,000 had been proved against the estate, none of them were Mr. Lacy's own. They were all incurred on account of his son-in-law. There would be another small dividend, and, if it had not been for an unlucky contract for supplying muskets to the Hungarian revolutionists, a much higher dividend would have been realised.

His Honour inquired if muskets did not fetch a higher price now?

Mr. Lawrance, in reply, said, these were not the right sort, unfortunately. They were not Minié rifles.

Mr. Reed said that Mr. Lacy had never received any allowance, and though he had obtained his certificate more than a year ago, his attendance had been unremitting from that time to this.

His Honour said Mr. Lacy's conduct had been highly meritorious. He was quite entitled to the allowance, and the Court had great pleasure in giving its sanction to it.

IN RE J. WINDLE COLE.

*Court of Bankruptcy, Basinghall-street, Dec. 6th. (Before Mr. Commissioner FONBLANQUE.)*

The bankrupt was a merchant in Birchin-lane, trading under the firm of Cole Brothers.

Mr. Hutton furnishes a preliminary statement, by which it appears the debts are £450,000, and assets about £20,000.

Mr. Murray appeared for the assignees, Mr. Digby for the bankrupt.

This was an examination meeting. The bankrupt, examined by Mr. Murray, said he commenced business early in 1848. Had been bankrupt in

1847. Had no capital in 1848, except loans from friends. Could not tell the amount of those loans. He had some money from time to time, as he wanted assistance. Never took stock. Had no business to require a stock-taking. Never exactly ascertained the position of his affairs, but had an estimate in his own mind. At the end of 1848, or early in 1849, considered himself prosperous. He knew continually the general result of his affairs. In the summer of 1853, his affairs were in the most prosperous state. He could not say what he then owed, without reference to some papers. There was no book that would show what he then owed, only some papers from which he could give an estimate. His business was extensive. Its original nature was business with the East Indies, in executing orders, receiving consignments, and making shipments on his own account. His business transactions in 1853 were very extensive—about £2,000,000. His transactions were principally in tin, copper, and iron. He had an invoice book. His cash was passed through bankers, and a cheque book would show those transactions. He had also a letter book. Had no other books to register his transactions, except some insurance books. There was no ledger, journal, or cash book, except the bankers' cheque book. He should have spoilt his operations, if he had allowed his clerk to write a journal. His cheque book would enable him to make up a cash account. He paid into his banker's all moneys received from the time of opening a banking account early in 1848, and all the moneys he paid came through his bankers. He had no property very material in his possession or under his control at the time he stopped payment, only surpluses of consignments and loans. He stopped payment on the 7th of June, 1854. He had two bills of exchange taken from him. Had also two small warrants. He was arrested by Forrester on the 19th of July. Was solvent in June, 1853, and did not consider himself insolvent when he stopped payment. Was perfectly solvent at Christmas, 1853. On the 5th of June there was a cheque debited to him of £2,300. That cheque was not entered in the margin of the cheque book. Could not explain that, except by reference to the cheque book and some papers. He had looked through the papers taken from him by Forrester, and could not find the memorandums required. One bill taken from him by Forrester, was a bill drawn by George Hudson on Davidson and Gordon for £1,000. The other was a bill on Mr. Lewis for £200. These bills and the surpluses referred to, together with some shares in the Berlin Waterworks, were the only property he had. Forrester had also taken from him bank notes amounting to £230. He could only explain the application of the £2,300 received on the 5th of June in this manner:—£1,100 had been paid into Messrs. Glyn's on that or the following day, and £1,200 was paid in on the 7th of June, having been immediately lent to Davidson and Gordon, who repaid him on the 7th. His loans at the time to Davidson and Gordon were for a short date, and therefore he had no doubt but the £1,200 received from them on the 7th had been lent to them a day or two before. He had no doubt but he lent the £1,200 to Davidson and Gordon in bank notes, and he should think he paid into Glyn's the same notes that he received from them. He saw a cheque had been given on Messrs. Glyn for £1,000 on the 19th of June, and he thought he paid it the next day. The margin of his cheque book did not say so. He was speaking from memory, when he said £1,000 was paid in on the 20th. A large portion of a sum of £1,200 received about the 4th of June, had been thus applied:—viz., £1,000 to the payment of legal expenses. Mr. Kersey had been paid £300, and Mr. Digby a large amount, about £600. The other part went in various expenses; some went to West Ham Distillery; £320 paid to Mr. Digby was got from Forrester. He remembered giving some securities to Messrs. Bourne, Latham and Co., of Liverpool. They were for assignments. This was between the 13th and 20th

of June. He sent to Messrs. Bourne, Latham and Co. a cheque for £10,400. At the time he made the assignments, they were for advances. They gave him £10,400 at the time he gave three of these assignments. He sent them down his cheque upon Glyn and Co. for £10,400. He did not find that in his pass book or in his cheque book. He received back his cheque for £10,400, which was sent to Liverpool by his brother James. It was sent on the 19th, and received back on the 21st. He thought he delivered the cheque personally to his brother. He expected to get £12,000 from Bourne, Latham and Co. He agreed to take £10,400, and they refused to pay the £1,600 until they knew whether they could get the goods in America. He got no cash whatever from Bourne, Latham and Co. They gave him up his cheque and some securities. The securities consisted of a considerable quantity of iron, steel and spelter. The value of his securities was more than £10,400, but they were pledged to them for that sum. The bar iron was in Wales, and the steel at a wharf in London. He had had transactions with Messrs. Mugin, of Liverpool, in May. He made advances to them, by bills, for £25,000, upon warrants for metals. Messrs. Sill and Mugin drew upon Cule Brothers for £25,000, and discounted the bills. He did not owe them that amount now. He had received no accounts from them, and really could not tell whether they had sold the securities or not. Messrs. Sill and Mugin had given up, in July, some securities against other securities. This was after he had stopped payment. They gave up some sugar and wharf warrants, and the negotiation was between their solicitor and Mr. Digby. He (the bankrupt) was not present when the change of securities was made, and had not seen either Mr. Sill or Mr. Mugin. He had not received any letter from them. The cause of the exchange was that Messrs. Sill and Mugin were dissatisfied with the securities they held. He received the bill of lading from Messrs. Sill and Mugin on the 26th of June. The name of "J. P. Smith" appeared on the warrants given to Sill and Mugin. By report, he knew Mr. Smith to be the manager of the Liverpool Borough Bank.

By Mr. DIGBY.—If he had full reference to the books, his statements of to-day might be somewhat qualified.

Mr. MURPHY wished the Court to grant an adjournment for a short period. The bankrupt was at present confined in Newgate. The authorities would not confine him there for ever. Unless some immediate pressure were made, the bankrupt would be removed, and the creditors be without information that was required.

His HONOUR.—The greatest diligence must be used in preparing the accounts, or there must be an adjournment *sine die*.

Mr. DIGBY said, due diligence should be used.

His HONOUR then ordered an adjournment to Friday, the 29th of December.

## THE NEW BANK OF ENGLAND NOTE.

At the ordinary meeting of the Society of Arts, held on the 20th of December, Henry Cole, Esq., C.B., vice-president, in the chair, a paper was read by Mr. Alfred Smee, F.R.S., "Upon the Bank of England Note, and the Substitution of Surface Printing from Electrotypes for the ordinary Plate Printing." Mr. Smee stated that the authorities of the Bank had determined to modify and improve the Bank note, and that, under the direction of the late governor, Mr. T. Hankey, a new form of Bank of England note had been designed, which will be brought into circulation on the 1st of January. In the new note, great improvements have been made in the paper on which the note is printed, and, by the employment of Smith and Brewer's patent, the water mark has



been carried to greater perfection than heretofore. For the first time, the letters and figures of the denomination are shaded, which produces considerable artistic effect, and greatly increases the difficulty of forgery. Many curious details were afforded of the extreme care taken to protect the public, by preventing a single sheet of paper from being possibly abstracted from the formation of the pulp, at the Bank paper mills, by Mr. Portal, to the final destruction of the notes. A new Britannia has been devised by Mr. M'Clise, and engraved by Robinson, to be used in the place of the former vignette, and the writing on the new note is rendered "I promise to pay to bearer, on demand," instead of "I promise to pay Matthew Marshall or bearer," as heretofore. Mr. Smee stated that he had proposed to the Bank a system whereby surface printing from electrotype should be substituted for the plate printing, and that, with Mr. Hensman and Mr. Coe, they had succeeded in bringing typography into successful operation for all the numerous forms of notes and cheques required. For this purpose, the Britannia had been cut in steel by Mr. Thompson, and the letters had been produced in the best possible state of excellence by Mr. Skirving. The originals are never employed for printing, but are simply used as mould makers, from which electro-casts are taken, by the use of the ordinary Smee's battery and precipitating trough. The electro-metallurgic processes, as used in the Bank, were minutely described, together with several new points in connection therewith. The Bank notes, by this system, are printed at a steam press, constructed by Napier, and no less than 3,000 notes are printed per hour. The author called attention to the theory of inimitability. He stated that the system pursued by the Bank was so perfect, that no forged note had ever escaped eventual detection. By the new system, the most perfect identity would be insured, and thus traders had only to pay attention to the quality of the paper, and the character of the design, to protect themselves. The public were particularly recommended invariably to take down the letter and number of every note which came into their possession, as this short memorandum will suffice, at the Bank, to obtain every particular connected with it. The paper was illustrated throughout by the means by which Mr. Smee's system has been carried out, as well as by specimens of the different parts of the processes required, and specimens of the various denominations of Bank notes were, by the kindness of Mr. Hubbard, the Governor of the Bank, exhibited to the society.

After the reading of the paper by Mr. Smee, the secretary stated that he had received, from Mr. W. Stones, some "Observations on the means available for securing Bank notes, cheques, and similar important documents, against counterfeit and alteration." This gentleman considered that protection was to be sought in the accumulation of checks to forgery, rather than in the superiority of any one particular form of security. He reviewed some of the means more or less available for obtaining the desired security, treating of them under the following heads—peculiarities in the pulp or manufacture of the paper; chemical preparations introduced at the time of manufacture or subsequently; water-marks or devices, introduced for the purpose of distinguishing any given paper from all others; the style and subject of the engravings, and the inks used in the printing.

In a communication to the secretary, from Councillor Auer, Director of the Imperial Printing Office, at Vienna, it is stated that they endeavour to prevent the possibility of the forgery of Bank notes, by adopting a combination of processes, including the nature printing process, each opposed to the other in its manner of printing.

A vote of thanks to Mr. Smee and the directors of the Bank of England closed the proceedings.

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## Bank Meetings.

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### BANK OF AUSTRALASIA.

THE half-yearly meeting of the Bank of Australasia was held on the 11th of December, when it was announced that the rate of distribution in April next, owing to an increase in the bonus, will be equivalent to 20 per cent. on the capital stock of the corporation.

The chairman (Mr. T. W. Henderson) made the following address :—Gentlemen, in opening our proceedings I have to remind you that this is not the season of the year at which we are in the habit of submitting to you detailed accounts of the bank, and most of you who have been in the habit of attending our meetings will recollect that, on this account, the topics which have usually engaged the attention of the December meeting have been of a general nature, rather than matters of account, which come more particularly under the consideration of the June meeting. We are, therefore, again met here to-day to talk over our affairs in a general way, and to interchange such explanations respecting them as we think are necessary to give you a proper knowledge of the position and progress of the bank. (Hear, hear.) It is always a matter of satisfaction for us to meet you here, and to confer with you respecting our mutual interests ; but, under present circumstances, the time for holding this meeting has come round under circumstances especially acceptable to the directors, inasmuch as they have information to communicate to you which they could not so well do in any other shape, and which they think cannot fail to prove satisfactory to you. (Hear, hear.) You will easily anticipate that I am alluding to the intelligence which reached this country by the last overland mail, announcing the existence of a very considerable mercantile pressure in the colonies, —accounts (which you have no doubt already seen in the newspapers) of such a character as naturally would justify the fear that some of the loss, more or less, will fall upon the banks ; we are, therefore, quite prepared to learn that many of you have come to this room this day under the impression that you will hear that some of this loss has fallen upon the Bank of Australasia. It is for this reason that we are so satisfied to have this early opportunity of meeting you, for the purpose of telling you, as we have done in this report, that, up to the latest periods of our advices from the colonies, no loss had fallen upon the bank. (Hear, hear.) I may perhaps go further, and say that, at this time, we are in possession of accounts from the colonies of the business of the branches, or of most of the branches at all events, for ten months out of the twelve months of the year, and that it is of a large and of a profitable character. Were it not for the occurrence of some small losses by telling over the counter, and of some losses by a forgery, of no great amount, we should have been in a position to-day to have told you that we have conducted this large business literally without any loss whatsoever. (Hear, hear.) What results may be in store for us in future, it is unnecessary, and would be unprofitable, for me now to speculate upon. I can only express a hope, that the same unchanging course of good fortune which has for some time past attended this bank may continue to attend it in future. And even if this hope be not altogether maintained by events, we are still able to tell you, that the character of the business which we have done during the past year, as you will see in the report, is such as enables the directors, with confidence and security, to announce to you that we are going to increase our dividend. (Hear, hear.) You will naturally expect me to say a few words respecting the origin, and the probable result, of a state of things in the colony so important in its operations to the interests of the bank. You cannot doubt but that the direc-

tors have taken every means in their power to acquire the best information upon that head, and all the information which has come before us justifies us in saying, that the mercantile pressure, which late accounts report as existing, has arisen from excessive and unsuitable imports, thereby creating a glut of merchandise in the market, not only involving the importers in loss, but depreciating to the same standard of low value the stocks already in the colony. I cannot, perhaps, give you a more distinct and intelligible view of the nature of this excess, than by reminding you that, in 1851, when in round numbers the population of the colony was about 350,000, the export of British manufactures amounted to about £2,800,000; in 1854, when the population had just doubled, the export of British manufactures had increased about five-fold, to the amount of £14,000,000 and upwards. (Laughter.) In such an unnatural excess of supply over demand and consumption, you will recognise a very sufficient cause for this very general pressure now existing. At the same time it will not escape you that, from the very cause of the evil, it is of a temporary nature, and we are justified, by all experience of former evils of a similar kind, in believing that, in process of time, more or less, it will cure itself,—or, what is more likely, that it will result in a re-action the other way. But there is another very important consideration, gentlemen, upon this point, which we must not lose sight of—namely, that during the time of this commercial pressure the main permanent sources of the prosperity of the colony continued sound and unimpaired. We know that the production of gold last year was fully equal to that of the previous year—correctly speaking, I should say that it exceeded it. We are aware that works of public enterprise and of private enterprise, to a very great amount, were extending everywhere in the colony; we know that population, the great want of the colony, was advancing at a very satisfactory rate; we are also aware that the commerce of these colonies was expanding every year in a most important degree: and, with all these facts before us, it is most certain that we may regard them as constituting very sound and safe elements of future prosperity. (Hear, hear.) Looking at all these matters, the directors think themselves justified in suggesting to you that this pressure, however severe it may be while it is passing over the colony, is temporary, and that the great elements of prosperity to which I have already alluded will enable us eventually to surmount it. It would have been a source of very great satisfaction to this board, if circumstances had permitted us to announce to you this day the accomplishment of an object which we have very much at heart, namely, the separation and investment of our reserve fund. You will recollect that, at the last meeting, we apprised you that this subject had engaged our serious attention. I may now say, that before that period, previous to that meeting, we had dispatched instructions to the colony upon the subject, to the superintendent, preparing him for the final separation of the fund from the active operations of the bank, and transmitting our views upon the subject. We have recently received dispatches in reply, from the superintendent, acknowledging the receipt of our letters, and submitting to us his views respecting the best mode of carrying them into effect. Now, it will be evident, even to those of your number least conversant with business, that the withdrawal of so large a sum as £200,000—very nearly one-fourth of our whole capital—at any time, from the operations of the bank, would be disadvantageous, and that it can only be done with reference to the convenience of the bank at the time. (Hear, hear.) But how much more is this difficulty increased when the operation comes to be carried into effect at a time of greatly increasing business,—valuable business, profitable business, but which requires ample means to sustain it. I may say that, were the difficulty involved in this question merely a relinquishment of profit (for no doubt the profit upon this reserve fund in the operations of the bank this year has been very great), I think, from what I know of the sentiments of the gentlemen now around me,

we should not have been indisposed to incur that sacrifice in order to accomplish an object so important to you and to ourselves. (Hear, hear.) But when, in addition to this large sacrifice, we had to contemplate the consideration of positive inconvenience to the bank, and of injury to its future position and prospects, we felt bound to recognise the justice of that principle which points out the necessity of doing it gradually, with a due consideration to the wants and convenience of the bank. We assume that you cannot fail to concur with us in the prudence of the course which we propose to follow—(hear, hear); and, under all circumstances, we can give you the assurance—I, personally, can give you the assurance—that there is no subject whatever within the range of the administration of your affairs which has more constantly and more anxiously the attention and consideration of this board than the separation of this fund. I have mentioned, in connection with this subject, a great increase of the business of the bank, but it would be a great omission on my part, were I to allow any shareholder to leave this room under the impression that we are unduly extending or stimulating the business of the bank. Such, I assure you, is not at all the case; the business of the bank has greatly increased no doubt, chiefly because the wealth and the business of our customers have increased; but I may say, that we have now acquired that amount of profitable and safe connection in the colony, which is quite as extensive as this board think we can manage with safety and advantage. (Hear, hear.) We may, therefore, say that, so far from seeking any new business, or entering into the slightest degree of competition to obtain it, the policy of the board lately has been rather to contract than to expand the business of the bank. You must remember, also, that in point of influence, in point of position, in point of general business, the Bank of Australasia now stands second in the colony to none. (Hear, hear.) And it is by a prudent perseverance in the course which I have now indicated that we hope to sustain it in that high and satisfactory position. At our last meeting we acquainted you that we had instituted several new branches of the corporation, chiefly in those places in the colony which have been brought forward into prosperity by their contiguity to the gold fields. We have now to mention to you that these branches have fully answered the expectations under which they were established, and some of them in particular have been of essential service to the bank during the last year; at the same time, I may say that it is not the policy or intention of this board further to extend our business.

In answer to questions, it was stated that the contract for the new building to be occupied by the company in Threadneedle-street is £13,000, while the ground rent will be £1,300 per annum. As, however, it is intended to let a large portion, the outlay will be ultimately much diminished. With regard to the course pursued by the Oriental Bank, in allowing interest upon deposits, it was mentioned that the whole of the other banks have at present abstained from making any alteration, but that, if the example shall be followed, it will then remain with the directors to recommend the necessary measures for effecting a change. On the question of the separate investment of the guarantee fund, the board, it was intimated, continue to feel the desirableness of carrying out their original proposal, although they ask the shareholders not to press it precipitately. At the conclusion of the proceedings, votes of thanks were unanimously passed to the directors and the officers. Subjoined is the statement presented to the meeting:—

“In pursuance of the course hitherto adopted at this period of the year, the directors, without entering into details or figures, have to report that the accounts received since June exhibit a considerable increase in the operations of the bank in the colonies, and that the large rate of profit of the preceding year has been maintained, although not, as then, arising from the purchase and shipment of gold. The directors have transmitted to the superintendent

instructions respecting the separate investment of the guarantee fund, the receipt of which has been acknowledged; and, although the increase in business has temporarily delayed the completion of this object, the proprietors may rest assured that it will be carried into effect at the earliest possible period. The latest advices mention that considerable mercantile pressure existed in Australia, but no loss of any importance had at that time fallen upon the bank. The directors are enabled to state that the accounts already in their possession, of the profits on the year's transactions, justify them in declaring their intention of making an increase in the bonus next April of 10s., raising it to 56s. per share; which, together with the usual rate of dividend of 6 per cent., will make £4 per share, being equivalent to 20 per cent. per annum on the capital stock of the corporation."

### ENGLISH, SCOTTISH, AND AUSTRALIAN CHARTERED BANK.

AN extraordinary meeting of the shareholders of this company was held at the London Tavern, Bishopsgate-street, on the 15th of November.

The chair was taken by Mr. Chas. Johnston, who, having pointed out the necessity of completing the capital fixed by the charter, moved a resolution, for effecting such alterations in clause 134 of the deed of settlement as would render the shares forfeitable, for non-payment of future calls, at the expiration of two months, instead of six months, after the days to be appointed for payment of such calls, and after one month's notice, instead of three, as heretofore. The resolution was passed, and the meeting adjourned.

## Communications.

*To the Editor of the Bankers' Magazine.*

### TIME TO PRESENT A CHEQUE.

SIR,—How long may a banker hold a cheque, received from a customer, without becoming liable for the amount, in the event of its being dishonoured?

I have been told he may keep it in his possession *one night*, and is not bound to send it away by post till the day after he receives it. If this is the case, is there any legal authority to that effect?

An answer would greatly oblige,  
December 14th, 1854.

A SUBSCRIBER.

[As a general rule, a banker, and every other person who is the holder of a cheque, has the whole of the day, after the receipt of it, to present it or forward it for presentation. There may be special circumstances to alter this rule, as, for instance, an express order, or the custom of a particular place. See *Shaw on Cheques*, 78, 79, and 83.]

### CHEQUES DRAWN ON BRANCH OF BANK.

SIR,—I am rather startled at the answer given to "A Bank Officer," contained in your last number. It is the practice of the banks in this town, and I presume of banks generally, to pay cheques drawn on their branches conditionally, the same way they pay a cheque on York or London, and of course

require one and all to be stamped; and how you make out that cheques drawn on a branch beyond fifteen miles, paid on such conditions, does not require a stamp, I cannot at all perceive. I fear your answer, if given before a judge, would be interpreted as a mere quibble.

It is quite clear to me that the law requires everything in the shape of cheques to be stamped, when drawn or circulated fifteen miles beyond the place where payable; and I think it would be wise in bankers to act up to the letter and spirit of the law, and not render themselves open to a penalty for the sake of saving their customers a penny now and then.

When the penny draft stamp first came into operation, I pointed out, in a letter published in the *Times*, that the intention of the law evidently was to tax by stamp all cheques circulated beyond fifteen miles. The authorities at that time intimated that cheques drawn within the limit might be sent any distance without a stamp, but the last alteration in the law showed that they had changed their opinion, and adopted the view I gave.

J. F.

Newcastle-on-Tyne, 9th December, 1854.

[With regard to the first point, we are not sure that we understand the terms "conditional" drawing and "conditional" paying. A cheque ought not to be drawn on a head office, and presented at a branch more than fifteen miles from that head office, unless stamped. Our view throughout has been, that the head and its branches must be considered as if they were different banks. We concur in the spirit of the other remarks of our correspondent.]

#### BANKERS' CLERKS' SALARIES AND THE INCOME TAX.

SIR.—Your having so frequently advocated the cause of bankers' clerks, with respect to their remuneration, I take the liberty of drawing your attention to this subject with reference to the income-tax, and, as the bank meetings are coming on, I think I cannot do so at a more favourable opportunity. I have observed, with much pleasure, that many banks—amongst whom may be named the London and County, the Belfast Bank, and Yorkshire Banking Company—are paying this onerous tax for their clerks; and I think it will be generally admitted to press more heavily on us than any other body of men with similar salaries, as we are expected to appear well dressed, and to keep up a respectable appearance in our establishments. The shareholders in joint-stock concerns receive, in most instances, their dividends free of income-tax, and the payment of this impost for their clerks will diminish the dividend only a very small fraction. To the private banker, who divides his thousand of profits, it will be a small burden, and to us a great boon. Now, many of our employers say they will do as others do, and I am sure the example only requires to be set to be fully followed out. What I propose is, that you should devote half a page or a page monthly, for the insertion of the names of those firms who are willing to pay the income tax for their clerks. If the plan I propose be once fairly set at work, in a short time I trust there will be few banking houses whose names will not have appeared in the list.

With provisions, and I may say everything, dear, and an increased income tax pressing heavily on our resources, and a prospect of additional taxation, there is but a poor prospect for a "merry Christmas and a happy new year" for bankers' clerks, unless something be done for them. In advocating a more remunerative scale of salaries in these "hard times," perhaps I may be permitted to quote the words of an eminent author (Mr. J. W. Gilbert):—"If an advance of salary quickens the attention or the zeal, or strengthens the fidelity of a party, or induces him to cultivate those talents which add to his efficiency, or if it enables him to move in a higher class of society, and gives

him a station and an influence which enable him to be useful to the bank, then is such an advance of salary, though entered through the books under the item of expenditure, an outlay of capital which is repaid to the banker with interest in the effect it produces, an outlay that becomes probably one of his most profitable investments." Nothing, it will be admitted, is more depressing to the spirits and energy than irritation of the mind, which is constantly the case with those who are compelled to live on "the hand-to-mouth system," and who have a constant dread of a call from the tax gatherer. In conclusion, I will strongly recommend Life Insurance to my married brethren—indeed I think it would be a wise proceeding on the part of our employers, to establish a fund amongst their clerks for the insurance of their lives; for what must be the feelings of a man on a bed of sickness, who, after having devoted the best part of his days to his employers, finds himself unable to make any provision for his family, in the event of his being taken from them. Trusting my remarks may be received in the respectful manner they are intended, and apologising for occupying so much of your space,

I am, sir, yours most respectfully,

A BANKER'S CLERK.

[We quite concur in all that is advanced by our correspondent; but the plan he recommends, of publishing monthly a list of the banks and bankers who may considerably discharge the income tax of their clerks, would not be found to be of any practical advantage. The examples alluded to have already been noticed, and it is to be hoped they will exercise a beneficial influence.]

#### CHEQUE SIGNED AND COUNTERSIGNED. PLACE OF ISSUE.

SIR,—May I ask the favour of your opinion on the following in your next number:—

A Joint Stock Company, whose Board Meetings take place in *London*, draw weekly cheques *there* upon their bankers in *this town* for "weekly expenditure;" these cheques are *signed in London* by three of the directors, and transmitted by *post* to the Company's manager here, who countersigns them before they are presented for payment.

Are these cheques liable to the 1*d.* stamp duty, the place of posting being the place of issue; or do you consider them incomplete until countersigned by the local manager, and by him first *issued*, and therefore not liable to duty?

I am, Sir, yours obediently,

Southampton, Dec., 1854.

CASHIER.

[If the cheques are dated in London they will certainly require the stamp, and we presume they are so dated. We also think that part of the drawing, at all events, and the issue of the document, take place in London, and on that ground that a stamp is necessary. Perhaps, however, something may be urged in favour of the other view, and the point is new.]

SIR,—In a previous *Magazine*, "Old Stager" complains he cannot reconcile the extract from "A Subscriber," in your September number, with the Stamp Act itself, referring particularly to sections 7 and 8.

If he will read them, bearing in mind the distinction between negotiating or circulating and merely carrying a cheque beyond the distance of fifteen miles, I think he will see their agreement.

If a cheque be sent by post in payment, or as a security, to any person beyond fifteen miles from the place of payment, it requires a stamp affixed by the sender. If a cheque be negotiated or circulated beyond the said distance, there

is no doubt it requires a stamp. To illustrate how a cheque can travel beyond that distance without a stamp, we will suppose a Liverpool merchant on his visit to Manchester receives cheques on the banks there, which, not having time to collect, he returns home with; the next day, one of his clerks is visiting Manchester, so he gives him the cheques to collect. I suppose "Old Stager" will not argue they require stamps; neither will they, if he collect them through a different agent, viz., his banker. For my own part, I should prefer collecting them through the latter agent, as, in case of loss or robbery, the cheques are much more easily stopped payment of or traced than bank notes, especially when crossed.

"Old Stager" gives his practice when cheques upon a banker residing beyond fifteen miles from his office are presented to him (I suppose for collection) unstamped, to inquire of the party presenting them—

1st. Whether he received them by letter.

2nd. Whether he received them personally from the drawer at a place not distant beyond fifteen miles of the bank on which the cheques have been drawn.

3rd. Whether he received them by letter from his partner, who received them within the legal distance.

To all of which, he says, he requires stamps. Were I his customer, I should decline throwing my pence away in the two last cases, as I conceive they do not require stamps at all, having only been negotiated or circulated once, and that at the place they were issued.

I do not know what has been the custom of "Old Stager," but it has not been the custom of bankers generally to inquire, before receiving or paying a cheque, whether it was issued within fifteen miles?—whether it was issued at the place inserted as its date?—or any other questions. And I have no doubt "Old Stager" has received and paid many cheques which have been issued illegally. I am not aware of anything in the new act which renders greater caution now necessary than formerly.

Generally, on being offered, for collection, cheques payable at a greater distance than fifteen miles, I require stamps, unless the explanation is satisfactory. This I do, wishing to carry out the act, knowing many people are ignorant of it; not that I consider it is necessary, for I quite agree with the view of the Inland Revenue Commissioners, that, "it is not incumbent on a banker or other person receiving or paying an unstamped cheque, to inquire whether it has circulated beyond the said distance of fifteen miles;" which view I think is confirmed by the decision given by the Court of Review, in the case of the Norfolk and Norwich Joint-Stock Bank, where the chief judge concludes:—

"But there are other cheques, drawn by the bankrupt at Brinton, more than fifteen miles from Norwich, and issued to third persons, who obtain payment of these cheques at Norwich. These are clearly within the 13th Section, so far as the person issuing is concerned. But the only point in the present case, is the knowledge of the banking company that they were not drawn at the place where they purported to be issued, or were drawn more than fifteen miles from Norwich. If there had been any conflicting evidence on this point, that would be a ground, certainly, for further inquiry; but I can see no evidence here that the Norwich bankers knew these cheques to be drawn at a different place from what appeared on the face of them.

"It is argued that the knowledge of the bankers must be presumed, because they knew that the bankrupt, upon some other occasion, drew cheques at Brinton, dating them at Norwich; but it is incumbent on those who call upon us to fix a party with the penal consequences of an act, to prove his knowledge of the illegal act, and the court cannot assume the fact. I think, therefore, that the bankers are entitled to prove the amount of their payments on this last description of cheques."



If I receive or pay cheques with the knowledge of any such illegality, that quite alters the case.

I am no lawyer—the above seems to me to be both law and equity; if it is not, I shall be glad to be put right by any of your correspondents.

I am, sir,

A SUBSCRIBER.

20th November, 1854.

## **Notes of the Month.**

### **FINANCIAL AND COMMERCIAL.**

**THE BANK CHARTER ACT.**—A meeting, privately convened, was held in the committee room of the Birmingham Town-hall, on December 1st, to consider what steps it would be advisable to take in the event of a renewal of the Bank of England charter being asked in the course of next year. Mr. Thomas Clutton Salt presided. Mr. Muntz, M.P., Mr. Spooner, M.P., and other gentlemen, addressed the meeting, and the following resolution was adopted:—"That experience has proved that under the Bank Charter Acts of 1819 and 1844, whenever the Bank of England has increased its issues to the extent necessary for the full employment of industry and for the general prosperity, a drain of gold has set in, which has compelled the withdrawal of these issues; that, under this double drain of paper money and gold money, all the just proportions between money and property, between debt and means of payment, have been periodically and violently disturbed, prices have been suddenly and artificially depressed, and solvency and independent industry have been changed to insolvency and pauperism; that at the present time the restricted issues of the Bank of England are in process of reproducing those industrial calamities which have at different periods so fatally disturbed our social condition; it is, therefore, resolved, that an association be now formed, having for its object such alterations in our monetary system as shall place it on a secure foundation, and keep it in constant harmony with the developments of national industry." A committee was appointed to carry out this resolution; and the proceedings terminated.

**DEATH OF M. LEON FAUCHER.**—M. Leon Faucher died at Marseilles, on the 15th of December. Madame Leon Faucher and her brother, Count Walewski, were with him in his last moments. M. L. Faucher, before being known as a statesman, was an eminent journalist. He was scarcely 55 years of age.

**LIMITED LIABILITY.**—The government have a bill in preparation, for altering the arrangements regulating the formation of joint-stock companies, giving the Board of Trade power to grant charters, with limited liability, at a small expense.

**THE ESTATE OF MR. J. M'HENRY.**—At an adjourned meeting of the creditors of Mr. J. M'Henry, held at Liverpool, it was agreed to liquidate the estate, under the inspection of Mr. W. Fletcher, Mr. C. Mozley, and Mr. D. Powell, all of Liverpool. In accordance with this arrangement, a proper deed was ordered to be prepared, containing all the usual clauses, as if bankruptcy had occurred on the day on which Mr. M'Henry legally stopped payment.

**THE LATE MR. C. GEACH.**—It has been noticed, as a favourable trait in this gentleman's character, that, while he was actively engaged in advancing his own interests, he never neglected those of others with whom he became associated. His accurate perception was almost marvellous, and many who believed that, in the midst of his numerous pursuits, they had been forgotten, found subsequently, to

their gratification, that they had formed an ill estimate of his nature and intentions. He, happily, was not one of those individuals who, having secured their own position, are satisfied that they have fulfilled their mission, and deem it unnecessary to effect any further good. Of his early friendships he was most tenacious; and, in cases where talent and integrity exhibited themselves, he was ever alive to their advancement. Several instances of this kind could be cited, were it desirable; but a special one is that of Mr. W. W. Scrimgeour, the esteemed manager of the Union Bank of London, who has so greatly contributed to the successful development of the business of that establishment, and whose appointment was wholly secured, unaccompanied by influence or patronage, through the active personal exertions of the late Mr. Geach.

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**BANK OF ENGLAND.**—Some returns relating to the Bank of England, &c., from the period of the last renewal of the charter (in 1844) to the present time, have been printed, on the motion of Mr. J. B. Smith, M.P. They exhibit the average aggregate monthly balances of public moneys in the Bank, during the whole period in question, the quarterly advances to the Government, the sums paid for the management of the national debt, &c. The weekly balance of public money appears to have varied from £2,619,440 to £11,022,817, between 1844 and 1854. The quarterly advances to the Government under the head of "deficiency bills" varied from £126,342 to £3,711,201. The amount paid to the Bank for the management of the public debt was generally about £250,000 per annum, in round numbers; in 1853 it was £247,853, and in 1845, £252,021. The average amount of bank-notes in the hands of the public was, in 1853, £22,633,000; in 1852, £21,856,000; in 1851, £19,473,000; in 1848, £18,085,000; and in 1845, £20,722,000. The average annual issue of Bank post-bills, from 1845 to 1853, varied from £858,000 to £1,380,000, the *minimum* and *maximum* amounts. The amount paid by the Bank in lieu of the regular stamp duties in 1853-54, was, on promissory notes, £180,000, and on Bank post-bills £3,500. The *minimum* balance of public deposits (on all the accounts at the credit of the Government), on any day in each quarter, varied from £1,849,658 to £6,254,823, and the *maximum* amount of such deposits, from £5,615,362 to £11,409,993. The average annual amount of promissory notes issued by private and joint-stock banks in England, and by chartered and joint-stock banks in Scotland, varied from £8,208,255, in 1844, to £11,180,618 in 1845. In 1853-54 it was £10,919,368. The amount paid by such banks for composition, in lieu of stamp duties, averaged £25,000 or £26,000 a-year, and the amount paid for stamp duties themselves varied from £7,446 to £21,768.

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### BANK MOVEMENTS.

THE directors of the English, Scottish and Australian Chartered Bank have made a call of £2 per share, to be paid on or before the 8th of January.

THE half-year's dividend, at the rate of 14 per cent. per annum, will be payable on the shares of the South Australian Banking Company, on the 15th of January.

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## Monetary Intelligence.

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### REVIEW OF THE MONEY MARKET FOR THE MONTH OF DECEMBER, 1854.

THERE has been little to excite attention in connection with the general course of monetary affairs during the past month. The arrangements usually entered into at this period, for terminating the year's transactions, have engrossed the principal time of the banking and mercantile interests, every disposition being

in the meanwhile manifested to limit current engagements. Renewed activity is therefore not anticipated before the opening of 1855; and, until some fresh phase in the progress of the war shall have been presented, scarcely any desire is likely to be shown to augment commercial responsibilities. Ever since the autumn, a marked feeling in this respect has been exhibited, and to the consequent caution may be attributed the healthy state of the present restricted business. Failures continue occasionally to take place; but, with few exceptions, they have not proved of importance, although all such disasters cannot fail to exercise an unfavourable influence. The early meeting of Parliament has not elicited anything with reference to the financial views of the Government; but the Emperor of the French, in his opening address, plainly alludes to the negotiation of a new loan, which, it is stated, will be for the sum of £20,000,000. In the face of this and other requirements in interested quarters, even if Mr. Gladstone should think it necessary to rely on his principle of "direct taxation" for the increased service of the year, the demand for money is almost certain to be maintained at its current rate, and it may hereafter be advanced. Although speculation has been entirely checked, and trade is now carried out with every possible circumspection, there is a steady inquiry for accommodation, which, under the most encouraging circumstances, does not diminish; and this is an anomaly that many have noticed. Once or twice recently, when slight symptoms of relaxation have been observable, they have merely lasted for a day or so, and immediately afterwards the stringency has increased, until the previous rate has again been reached. The continuous call for the settlements at the Stock Exchange probably has something to do with it, because the members, it is well known, are in a less flourishing position than they were twelve or eighteen months since. First class bills in Lombard-street are negotiated at from  $4\frac{1}{2}$  to 5 per cent., and no variation has taken place for allowance on deposits. Loans, for short periods on Consols, may be obtained from 4 to  $4\frac{1}{2}$  per cent.

In English securities, the operations have not been extensive. Some fluctuations have, however, occurred in prices, the extreme range having been about  $2\frac{1}{2}$  per cent. Taking the lowest quotation, there has been an improvement established of about  $1\frac{1}{2}$  per cent. The operators have been very careful not to sell any large amount of stock, before they have some knowledge of the probable contents of the Budget. The average alteration in Exchequer bills has not exceeded 4s., the present allowance of interest being sufficient to support their value.

The transactions in foreign stocks have been on a limited scale. The principal variation in the leading descriptions has been in Spanish, Russian, and Peruvian, the tendency in each case being towards improvement. With the existing position of affairs, it is not, however, probable that any important change will ensue, business being so much governed by the prospects of the war. Turkish is now quoted as paid in full, the instalments on the first £2,000,000 having been wholly liquidated. The latest nearest price is 75, or 5 discount.

Operations in railway shares have not presented much scope for change. After exhibiting heaviness in the early part of the month they recovered, but sales have again increased, and the result is temporary flatness. The calculations with regard to forthcoming dividends, may be shortly expected to have some effect upon the market.

Bank shares generally have been supported with steadiness, and continue in most cases to exhibit strength. Crystal Palace shares have been firmer, at about  $3\frac{1}{2}$  on £5 paid.

The produce markets are closed for the Christmas holidays. Considering the little activity in business just prior to the vacation, quotations for most articles were well maintained.

# THE BANKERS' MAGAZINE;

AND

*Journal of the Money Market.*

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FEBRUARY, 1855.

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## ENGLISH EXPEDIENTS AND FRENCH FINANCE.

The costs of the war, and the manner in which it is proposed they shall be met, have excited more discussion than any other topic recently brought under public consideration. During the whole of last session, when Mr. Gladstone was broaching new theories, and at the same time augmenting direct taxation, to provide for what was then considered to be a preliminary expenditure, he was forewarned that the position he had assumed was an erroneous one, untenable both in principle and precedent. Abandoning all sound advice, and cleaving only to his own pre-conceived notions of finance, he repudiated the assistance which he could have so readily obtained by coming into the open market as a borrower, and sooner chose the indirect mode of raising, through a further issue of Exchequer Bonds, the funds necessary to carry out his estimates until the proceeds from the extended imposition of fiscal burdens should be received. Although this proceeding was unfortunately sanctioned by a majority, who, being led away with the specious explanations of the Chancellor of the Exchequer respecting the prospect of an early peace, and the self sacrifice required to support so glorious a cause, had not the courage to think for themselves, it was predicted by many, who properly appreciated the situation in which we were placed, that the consequences would not long remain undiscovered. Without desiring to take too sombre a view of impending evils, we think it will be perceived that the ill effects of that policy are now only too plainly apparent.

In distinguishing between a reckless and a provident expenditure, the contrast must be drawn not so much in relation to actual figures, as to the circumstances which may justify the employment of the amount involved. An ill-directed economy is

The importations since the harvest of 1854 have been—

	Wheat. Qrs.	Other grain. Qrs.	Total. Qrs.
Seventeen weeks ended 15th Nov. ..	442,974	755,752	1,198,726
Four weeks ended 13th Dec. ....	100,042	210,132	310,174
	543,016	965,884	1,508,900
And the weekly averages have been—			
Seventeen weeks ended 15th Nov. ..	26,000	44,000	70,000
Four weeks ended 13th Dec. ....	25,000	52,000	77,000
	Less 1,000	More 8,000	More 7,000

### MONTHLY CHRONOLOGY.

Nov. 28.—Stoppage of Messrs. George Milne and Co., bankers, Cincinnati; and suspension of Messrs. Smead, Collard, and Co., who issue a statement of their affairs, showing assets £350,000 against £240,000 liabilities.

29.—Failure of Messrs. Gilbert and Tuttle, importers, &c., New York.

29.—The Emperor of Russia, in answer to the Prussian cabinet, consents to treat for peace—on conditions.

Dec. 2.—Signature of the treaty between the Western powers and Austria.

5.—Failure of Mr. James Wellan, corn merchant, Dublin; also of Mr. Michael Smith, Dublin, who offers a composition of 3s. 4d. in the pound, which is accepted.

5.—Failure of Messrs. Daniel Stewart and Sons, grocers, of Baltimore, for £100,000; also Messrs. Finlay and Co., bankers, New Orleans; and Messrs. Selden, Withers, and Co., financial agents, of the State of Virginia, at Washington.

8.—Suspension of Messrs. Reeves, Buck, and Co., iron manufacturers, Pennsylvania. Liabilities said to be between £200,000 and £300,000, and assets between £300,000 £600,000.

9.—Austria sends her *ultimatum* to Russia.

12.—Opening of Parliament by the Queen in person.

18.—Arrival of Sir Charles Napier from the Baltic.

19.—Announcement in the House of Commons, that the Chancellor of the Exchequer would not make any financial statement previous to the Christmas recess.

20.—The Chancellor of the Exchequer moved a resolution in the House of Commons, upon which to found a bill for the purpose of placing the deposits in Savings Banks on a better footing.

21.—Messrs. Carter and Co., shipowners and brokers, of London, suspend payment.

22.—Failure of Messrs. John Benson and Co., and Dennis Harris, sugar refiners, and Messrs. Patterson, Adams, and Co., in the tobacco trade, all of New York.

22.—Duties reduced by the French Government on tallow, greases, &c.

23.—Parliament adjourned to Friday, January 23rd.

26.—Suspension of Messrs. Swain and Webb, of Huddersfield, for, it is said, £135,000.

27.—Opening of the Legislative Chambers of France, by the Emperor Napoleon; and announcement of a new loan.

27.—Arrival of M. von Usedom, on a special mission from the Prussian Cabinet, with reference to the affairs of the East.

### NOTICES TO CORRESPONDENTS.

Several communications and reviews have been left over at the last moment. Among other incidental notices thus excluded for the present is one relating to the Holborn branch of the London and Westminster Bank. All letters, unless they involve important questions, should, to secure attention, be forwarded by the 20th of the month.

T. B. (Spalding).—The topic has not escaped observation, and it will be dealt with in an early number.

COUNTRY SUBSCRIBER.—Thanks for the suggestion. The price has been corrected accordingly to the best information that could be obtained.

VERAX.—In many cases the offices follow out the objectionable plan stated, but they will shortly feel the ill effects of the competition.

# THE BANKERS' MAGAZINE;

AND

Journal of the Money Market.

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FEBRUARY, 1855.

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## ENGLISH EXPEDIENTS AND FRENCH FINANCE.

The costs of the war, and the manner in which it is proposed they shall be met, have excited more discussion than any other topic recently brought under public consideration. During the whole of last session, when Mr. Gladstone was broaching new theories, and at the same time augmenting direct taxation, to provide for what was then considered to be a preliminary expenditure, he was forewarned that the position he had assumed was an erroneous one, untenable both in principle and precedent. Abandoning all sound advice, and cleaving only to his own pre-conceived notions of finance, he repudiated the assistance which he could have so readily obtained by coming into the open market as a borrower, and sooner chose the indirect mode of raising, through a further issue of Exchequer Bonds, the funds necessary to carry out his estimates until the proceeds from the extended imposition of fiscal burdens should be received. Although this proceeding was unfortunately sanctioned by a majority, who, being led away with the specious explanations of the Chancellor of the Exchequer respecting the prospect of an early peace, and the self sacrifice required to support so glorious a cause, had not the courage to think for themselves, it was predicted by many, who properly appreciated the situation in which we were placed, that the consequences would not long remain undiscovered. Without desiring to take too sombre a view of impending evils, we think it will be perceived that the ill effects of that policy are now only too plainly apparent.

In distinguishing between a reckless and a provident expenditure, the contrast must be drawn not so much in relation to actual figures, as to the circumstances which may justify the employment of the amount involved. An ill-directed economy is

often productive of greater mischief than a profuse outlay, if the whole of the correlative events are not judiciously weighed in determining the course to be pursued. In this respect, the Chancellor and his associates have undoubtedly erred; for, notwithstanding a great boast has been made of the entire cost of the war, as far as it has yet proceeded, having been defrayed from the receipts of the year, the terrible condition to which our forces have been reduced in the Crimea must be in a measure attributed to the inadequate provision for their comfort, considering the nature and importance of the expedition. Allegations, indeed, may be justly levelled against the impediments created to a speedy execution of orders through the predominance of official prejudices; but, potent as these may appear, the first grand mistake was a disinclination on the part of the Government to acknowledge the serious character of the emergency, and to receive the assistance which capitalists and others would have so willingly tendered, had the slightest overtures been made.

Instead, however, of attempting to conciliate the classes who could at any moment support the Government, and aid their representative in his financial schemes, there was a marked disposition to disparage the means usually employed for maintaining our supremacy; and "loan jobbing," as it was termed, was sought to be discouraged, as a species of business which deserved the fate of our highest criminal offences. But, while we were thus chary of availing ourselves of a practical and authorised method of supplying the funds essential to proceed with and support a severe campaign, our neighbour and ally, France, directed by wiser heads and more subtle statesmen, openly came forward and proclaimed her desire to negotiate a loan for £10,000,000. Was her call unanswered, or were any perverted theories allowed to interfere with its progress? The immediate success of the operation showed, on the contrary, a desire on the part of the public to give the most efficient countenance to the plans of the Emperor, and, through the adoption of the principle of open tender, it went off with startling *éclat*.

This closed the first financial epoch in the history of the war in 1854. Haggling, as we had been, as to the measures which should be taken to raise our £10,000,000 or £16,000,000, France, by an astute and provident step, obtained the whole amount she required, without pressing inconveniently on herself or her subjects. One would have thought that the lesson taught our Finance Minister would not have been easily effaced, and that he would have been prepared to improve the opportunity on the earliest occasion. Not so, however. A further period elapses, and, despite the general belief that additional supplies will be

required to prosecute hostilities against Russia, we are quietly informed, on the first meeting of Parliament for the Session 1854-55, that the financial statement will not be introduced before the usual time—the sole question immediately necessary being a Savings Bank Bill. Is this the conduct of our friend and ally on the other side of the channel? No; certainly not. More prompt and vigorous action was to have been expected, and these expectations are realised to the letter. Louis Napoleon, in his address to the Legislative Council, at once intimates that further pecuniary assistance is required, and that a proposal will, without delay, be submitted for their approval.

A law is passed on the 31st of December, providing that a loan of 500 millions of francs (20 millions sterling) shall be opened in two stocks—the one of  $4\frac{1}{2}$ , the other of 3 per cent. The price of the former stock is fixed at 92 francs, that of the latter at 65f. 25c.\* This rate being rather below the current price of the market, and a period of 18 months allowed to pay up the loan by instalments, the whole advantage afforded by the operation amounts to 3.43, or nearly  $3\frac{1}{2}$  per cent. No subscription is to be received for less than 10 francs of Rentes; and the subscriptions under 500 francs of Rentes are to be taken integrally in preference to the larger sums. Such are the conditions of the loan.

The result, as might have been anticipated (the principle of open tender being, as it will be seen, preferentially recognised), was, that the sum subscribed in France in nine days, from the 3rd to the 11th of January, amounted to 2 milliards 175 millions of francs, or 87 millions of pounds sterling, on the whole of which a deposit of 10 per cent., or £8,700,000, was immediately paid. Of this sum, 83 millions of Rentes were taken at 3 per cent., and 18 millions at  $4\frac{1}{2}$ . The number of persons subscribing was 177,000; of whom 126,000 subscribed in the departments for 777 millions of capital, and 51,000 in Paris for 1,398 millions of capital. England subscribed for about 150 millions, and the continental States for about a similar amount. As the sum subscribed was fully four times the whole amount of the loan, it became necessary to decline three-fourths of these demands, and it was found that the small subscriptions for less than 500 francs Rentes amount to 836 millions. The consequence has been that, although the English subscriptions through Messrs. Rothschild, Messrs. Baring Brothers, and Messrs. C. Devaux, are all void, and arrangements have been made to return the deposit money, there is the stupendous spectacle of France again meeting with inordinate success in the

\* The terms, in their official form, will be found in the notes to the article on the "*Finances of France*," in the present number of the *Bankers' Magazine*.



face of a general pressure and considerable mercantile embarrassment. The resources of the public, especially the middle and lower classes, are quite as great in England as in France; and if capitalists are not to be favoured with the notice of our Chancellors of the Exchequer, let these functionaries appeal to their less wealthy supporters, who will probably be as able, in small if not large amounts, to extend their assistance.

What can be more encouraging to a government or an individual statesman, than to perceive such an immediate appreciation of the measures propounded for the benefit of the civilised world? But, instead of that vigour and discernment, so requisite to guide the councils of a nation in a perilous period like the present, we are called upon to behold vacillation and weakness of the most lamentable character.

By this double stroke of financial policy, France has laid the foundation of internal order, which, it is to be hoped, will be preserved for many years to come; and this, co-operating with the friendly alliance established through our joint endeavours to repress the aggressions of the Czar, must eventually further strengthen the bond of unity between the two countries. Although we may deplore the absence of that foresight on the part of our ministers which has prevented them from seizing earlier the golden chance of supplying the demands upon their treasury to an almost illimitable extent, we cannot but trust that remedial steps will, at no distant date, be taken, to rectify the anomalous position in which we now stand.

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#### OUR AGRICULTURAL PROSPECTS.

THE year 1854 was a memorable period in agricultural history. The grain harvest of 1853 throughout Europe had been greatly below an average; the autumn seed season of the same year in England, and some other countries, was of an unfavourable character; and a general feeling of uneasiness pervaded the public breast. Famine or no famine, appeared to be the question uppermost in every thoughtful head, as the year 1854 gradually sped its course from January to August. Then, for the first time, was the public mind relieved. Then, for the first time, did it fully value the conviction and confidence which we sought to impress when writing in the *Bankers' Magazine* of February, 1854, that Providence was always kinder than man's deservings, and that, by energy, prudence, and economy, we should pass safely through the crisis, and weather the storm. Up to the middle of July, the agricultural prospects of the year were fraught with gloom. The weather had been cold, and otherwise so uncongenial, that the harvest must be late was pronounced as an absolute,

certainly, and that it would be deficient in quantity or quality was felt with almost equal confidence. Soon, however, the aspect of affairs was, in our own country, entirely changed. Towards the end of July, we had some glorious hot weather, that brought forward the grain crops rapidly. Then followed genial rains, that filled the waving ears. And then, again, followed hot and long-continued fine weather, that perfected the crops, and secured their being gathered in a condition scarcely ever equalled in any preceding year.

We happened to be taking a short tour in the country during the harvest times of 1853 and 1854, and the remarkable contrasts that they presented will never be wholly effaced from our memory. In 1853, all was gloom and anxiety. In 1854, all was congratulation, and thankfulness to the Providence that had so unexpectedly crowned the year with gladness.

Never did weather, in two short months, so greatly affect the state of agricultural affairs as in 1854. It is the opinion of many practical men of sound judgment in the corn trade, that unfavourable weather during these two months might have "sent up wheat to 120s. or 130s. per quarter." Under favourable weather, it fell 20s. per quarter. Who, under such circumstances, can fail to have been impressed with a two-fold subject of congratulation—first, of the bountiful beneficence of Providence; second, of the prudent integrity of our merchants in Mark Lane, and our bankers in Lombard Street, who, under such a transition of circumstances, had so regulated their transactions as to meet honourably all their engagements, with scarcely so much as one exception of any great marked character?

Now, however, re-actionary indications presented themselves. Intelligence arrived that established, beyond all doubt, the fact of a great failure in the grain crops of that vast corn-producing country, the United States; and concurrently therewith, also, the fact that the war in the East must necessarily prove a great and protracted struggle. Again, wheat, which sold in September would have realised only 50s. per quarter, was sold by the end of October for 75s. per quarter.

In great staple commodities like those of corn and money, there must necessarily from time to time occur circumstances that frustrate the most careful calculations and estimates; and when we cast our eyes back to the brilliant harvest weather of 1854 in our own country, the failure of the harvest in the United States, the war, and other minor circumstances, we see no cause for surprise that our estimates of last year were not literally verified. As an approximation to the truth, as nearly as could be anticipated, in the absence of any power to control the clouds of war and weather, they will bear retrospect.

To refer to the future, we may first note that the crops of 1854 in England proved as much beyond, as in the United States they proved under, an average year. Hence—taking also into account the exhausted character of stocks of grain throughout Europe, in August, 1854; the partial stoppage of supplies from the Black Sea; the confidence imparted to holders by the continuance of war; and the stimulus to production consequent upon the abundance of money, as compared with former years, when the influx of gold from Australia and elsewhere was almost unknown—we see no reason to consider the present high prices of grain as artificial or speculative. It is the opinion of some, that the farmers of our own country have sold a larger portion of their stocks than is usually the case at this period of the year, and that the stock throughout Europe is still small. The supplies from abroad have unquestionably been only moderate; and, although abundance is said to be at sea, we see no cause to anticipate any material fluctuation in existing prices. Stocks are light at all the leading ports; and, notwithstanding those of the Baltic remain open, the supplies have been thus far inconsiderable. It is important to notice, that the prices of grain in every country throughout Europe are yearly more closely approximating, and that those of England would appear more and more to regulate the prices of the world. Whether this be attributable to recent legislation, or to any other cause, it is an evidence of a sound and healthy state of commerce, not less than of permanent agricultural prosperity. The year 1854 was a year of remunerative prices to the British agriculturist; and if this were so, the year 1855 must be a year of great agricultural prosperity. The crops of 1854 were about as much beyond, as those of 1853 were below, an average; still there has thus far been no material difference of prices in the two years. Nor do we at present anticipate any. It is true that large orders have been received at New York for corn and provisions on English account, but so have they also on continental account. The latter circumstance would not appear to indicate the existence of any large stocks among our continental neighbours. Owing to the existence of war, we cannot look forward to supplies from any of the ports east of Gibraltar, nor are supplies from the Black Sea to be relied upon. The question arises—have we sufficient to last us till the harvest? We believe that we have; and whilst, on the one hand, we do not anticipate any material rise of existing prices, we feel, on the other hand, that he must be a bold man who would hold his stock for higher markets. The autumn seed time of 1854 was highly favourable. The young wheats are regular, and look remarkably healthy. The dry and open weather from October

to December, followed by genial frosts and snow, will prove beneficial both to the autumn-sown crops and to the soils preparing for spring-sown crops. The potato crop for the year 1854, it may further be noticed, is better than was at one time anticipated. How far the failure of the hop crop of 1854, and the increase in the malt duty, may affect the price of barley, is a matter of minor import, that may be left to the consideration of our barley-growers, maltsters, and brewers. It is sufficient that we conclude our observations upon the wheat market by remarking, that importations thus far have been much below an average, and that we see no cause to anticipate any material change of circumstances.

Touching the provision markets, we should rather look for higher than for lower prices in the articles of meat and cheese. The general condition of imported foreign stock continues inferior. The drought and bad hay harvest of 1854 must have a tendency to abridge production, whilst the continued influx of the precious metals must stimulate consumption.

Subjoined is an account of the comparative supplies of beasts and prices in Smithfield, for the month ending December 31st, in each of the following five years:—

SUPPLY OF BEASTS.

1850.	1851.	1852.	1853.	1854.
24,239	20,554	21,018	23,304	20,298

Prices per 8lbs., sinking the offal.

s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.													
2	8	to	4	0	2	10	to	4	2	2	2	to	4	0	3	2	to	4	10	3	4	to	5	4

The comparative numbers of sheep and other animals, and the prices thereof, do not materially differ from the foregoing.

We continue to hear complaints of the evils consequent upon the monopoly in the article of guano, but we much doubt whether a greater evil has not arisen from the reckless and incautious use of artificial and other manures. Strong conviction is entertained that much of that which is imposed upon our agriculturists as "manure" is no such thing. We would urgently recommend agriculturists to deal in this respect with houses only of high and long-established repute. It is not easy to detect artificial from genuine bone dust and guano. Some "manures," too, consist principally of exhaustive and non-nutritive properties to the soil. An improved crop is thus only obtained for the first year, in substitution of diminished crops in future years. We have known instances, too, in which a disease among cattle has been traceable to these poisonous artificial manures.

Upon the general result of agricultural prospects, we look

with confidence. There will arise from its continued prosperity a continued increase of deposits in the hands of bankers in our rural districts. Hence, though the rate of interest may continue at its present standard in Lombard Street, there will be comparative ease in the money market in many parts of the country. Admitted that money, like water, finds its level—water, be it not overlooked, is not unfrequently for a time more valuable in one part of the country than in another.

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#### THE PROGRESS OF 1854.

IN accordance with our usual plan, we have extracted the annual commercial summaries of the three leading daily journals, with the object of placing on record a correct narrative of the events of the past year. The first article in the last number of the *Bankers' Magazine* broadly glanced at the principal occurrences of the period; and it is gratifying to notice that the whole of our cotemporaries agree with the views expressed regarding the progress of the war, and its influence and attendant consequences upon trade.

The writer in the *Times*, it will be perceived, has at length boldly declared himself to be in favour of a loan, if an increased expenditure shall be required to prosecute hostilities against Russia; and there can be no doubt that further experiments by Mr. Gladstone, or any one who may succeed him, in an opposite direction, would be followed by serious consequences. The war, if it is to be carried out, should be conducted with vigour; and an increase of the property and income tax, or a fresh issue of Exchequer Bonds cannot be relied on to supply the necessary means. Deserving of credit as the Chancellor of the Exchequer is, for his attempts to economise expenditure, and to provide for it out of the revenue of the year, enough has, we should think, transpired of late to convince him that with present prospects it will be impossible to continue in such a course.

The *Daily News* and the *Morning Chronicle* comment at length on the position of our mercantile relations, the state of the crops, and the fluctuations in the Funds and other public securities, and furnish in each case a very interesting résumé of the whole of the topics deserving consideration.

The City editor of the *Times* expresses his opinions on the progress of the war in the following manner:—

Instead of realising the apprehensions of war prices and universal confusion, the commercial year just ended has been one of the least eventful in modern times. The vague anxiety which marked its opening subsided as soon as the quiet conclusions of economical science took

the place of the magnified traditions of a former and wholly dissimilar epoch; and, so far from witnessing any sudden financial perplexities, the public have had to congratulate themselves upon a more steady progress of affairs than they would have been entitled to expect, even if war had been avoided. The uninterrupted pressure, the defalcations and distress, visible during the whole period in the United States, from the stoppage of those supplies from this side by which a new mania, like that of 1837, was being fed, have demonstrated a peril which has been arrested solely by the state of politics; while the domestic loans raised among the continental nations, amounting within the year to more than £80,000,000 sterling, likewise indicate the demands to which we might have been exposed from other sources.

With regard to the future, the absorbing question is as to the means by which the war is to be carried on. At present there is no want of money, and the estimates for the coming year are expected, as far as revenue is concerned, to be favourable. But it would, perhaps, be too much to hope that it will be sufficient; and the points of moment are, what is the additional amount that may possibly be required, and what should be the method of raising it—whether by increased taxation or by loans?

The experience of the war hitherto shows that there is no danger of a repetition of the irresponsible prodigality of former struggles. The amount of fresh taxation imposed in the spring, by the income tax, the spirit duties, and the excise on malt, was £10,000,000, and this was the estimate of what our armaments would cost up to April, 1855. The balances in the Exchequer manifest that, notwithstanding the more serious proportions the conflict has since assumed, the provision made was in a great degree adequate. It is true that these balances have been fortified by the proceeds of £6,000,000 of Exchequer-bonds, but it does not yet appear that this extra sum must be considered to have been absorbed. It was raised originally not as a loan in the ordinary sense, but merely to supply funds in anticipation of taxes which, although authorised, could not be collected under several months. If it should prove at the end of the financial year that any of these taxes are still in arrear, and that the Treasury is nevertheless out of debt, then the amount so remaining to be collected will figure as a set-off against the bonds; or, supposing there are no arrears due, but that a surplus is held of revenue over expenditure, then such surplus will represent the portion of their proceeds still remaining unexpended.

Assuming, however, that the whole will have been used, £16,000,000 is the total at which the war expenses for the twelve months will stand. Next year a great extension of operations may be achieved for the same money, since much wisdom has already been bought. Taking, however, £20,000,000 as the probable amount, there will then be £10,000,000 to be raised annually as long as the war may last, either by an appeal to the money market, or by doubling the fresh burdens recently placed upon the taxpayer.

Which of these courses will be best for ourselves and for posterity? That which is best for the one will be so for the other. As a general

rule, nothing is more clearly understood in the management of financial affairs, than the fact of its being desirable to prevent all violent perturbations by a system of averages. A nation, therefore, is bound to calculate on a certain proportion of years of war to years of peace, and to spread the cost of one term through the other; as a prudent agriculturist would arrange his permanent outlay, not upon a season of abundance or of scarcity, but on a calculation of both. If he were to upset all his regular arrangements, dismiss his servants, and suspend his improvements every time his fields were visited by blight, it would prove a very fatal economy; and it would be alike injudicious for a nation to drain its immediate resources and check its commerce, when suddenly called to sustain the calamity of war. This principle once recognised, it will be seen that the proper plan is to make in peace a reserve for war, and, if war should break out before an insurance fund of sufficient magnitude has been created, to raise what is requisite by loans.

But the arguments against this inference will be, first, that the power of making loans removes the check to the commencement of war presented by the dread of taxation; and, secondly, that when peace arrives, the doctrine of averages will always be forgotten, so that each succeeding rupture will find us without any reduction having been made of the debt incurred through the previous one.

Specious as these objections appear, however, they are denied both by experience and reason, and at best they simply amount to the averment, that a rule, admitted to be intrinsically sound, is incapable of application owing to our folly or dishonesty. From the liability to such a charge we have long been free. So far from requiring the dread of taxation to keep us from wantonly running into war, there has been no previous period of history in which a people, conscious of physical strength, so earnestly endeavoured to avoid the provocation to put it forth. To the minds of all in England the struggle, in its moral bearings, has had solely the aspect of a police case, in which the European Powers have combined to arrest an offender seeking to break into a neighbour's house, and for which they agree to a heavy outlay to insure security for the future. Moreover, even if this were not the fact, it is certain that the sense of a crushing amount of taxation never yet had the effect of stimulating those higher faculties, on the part of a nation, which prompt an eager watch for everything that may be consistently turned to specific purposes. If taxation could have checked war, the fact would have been demonstrated at the beginning of this century; but we saw, instead, that it begot a harsh and gambling recklessness, from which the recovery was slow through succeeding years. The true way to prevent war is not by enforcing its pressure, and creating crime, confusion, and irritation, but by extending trade and intercourse. Whatever, therefore, can minister to the undisturbed progress of commerce causes an augmented appreciation of peace; and this not only among ourselves, but among the other nations with whom we are in harmony, so as to create an universal repugnance to the ruler by whom it is outraged; and also to show him, by the tide of

wealth being turned from his territories to those of his rivals—and which, when once diverted, may not be regained for generations—the nature of those punishments which come in the natural course of the government of the world, and from which there is consequently no escape. With regard to the other objection, that if we borrow during war we shall afterwards forget to spread the repayment over times of peace, and, like unprincipled speculators, never count our losses with our profits, it may happily be dismissed. Whatever may have been the want of foresight in former days, the existing race of Englishmen can look without disquiet upon their sentiments and practice in this respect. In fact, they have already virtually contributed to an insurance fund, which entitles them to carry on the present war without starving themselves and crippling their business to pay for it month by month. It is true that, within the past thirty years, we have seen the principal of the national debt reduced only to the extent of  $4\frac{1}{2}$  per cent., but the charge for interest has been reduced 8 per cent., while £20,000,000 has been paid to wipe off the stain of slavery, and £8,000,000 to save the Irish from famine. In addition, we have voluntarily borne a heavy income tax for eleven years, to attain those blessings of free trade which, however great for ourselves, will be incalculably greater for posterity; and have likewise supplied a temporary loss of the postal revenue, to adopt an experiment since imitated throughout the world. It must also be borne in mind that, through the increase of population and national wealth, the comparative figures of the national debt at present and thirty years back give no idea of the actual diminution effected in its burden upon each individual, which is now not three-fourths of what it then was; while, owing to the expiration of the Three-and-a-Quarter per Cents., an annual reduction, equal to the interest on £20,000,000 stock, has just taken place, to be followed in 1860 and 1867 by others, which will have an effect as if a further total of £110,000,000 had been paid off.

Under these circumstances, the public are entitled to expect, that if any additional sum should be required in the year now commencing, beyond the £10,000,000 they are already furnishing in the shape of increased taxation, it will not be raised by a further augmentation of immediate burdens, the effect of which would be to impede production and restrict our powers of competing with other countries, the prosperity of which it would also diminish, by lessening our consumption of their exports. An additional duty on any article of home or foreign manufacture would be more felt in its influence on succeeding times, than any liability that might be handed down to them owing to our avoidance of it; and the evil would not be altered by an increase of the income tax, since this is merely a more universal way of reducing enterprise on the one hand and consumption on the other. As far as this and other methods could be carried, without producing a pressure decidedly to check the spirit of adventure, it was desirable to resort to them, especially during a period of unparalleled prosperity such as prevailed a year ago; but the losses in the American trade, as well as the revulsion in that with Australia, have produced an alteration, and



although the mercantile profits of the country are sufficiently sound to enable it to bear the taxes already laid on, they are not such as to render an increase possible without damage.

In proportion as these views are considered, it will be felt that, instead of regarding it as a plea for deferring any further attempts to extend our commercial and financial resources by liberal legislation, we should accept the war as a stimulus to improve them with redoubled energy. It is the privilege of civilisation not to be disturbed from its course by those shocks which, among barbarians capable only of drunken excitement, arouse a universal display of desperation, but to put down these aberrations by the steady power it derives from its ordinary life. That life is sustained by enterprise and commerce, and to check these at the present moment would be as if a man were to abandon the means of supporting his family, at the very time when his expenses were doubled by the invasion of accident or disease. So long as a single restriction to trade or manufactures, calculated to limit our natural intercourse with other countries, or to check that buoyancy of revenue which is alone attainable by a constantly increasing consumption of the articles whence it is derived, is allowed to remain, a seed is withering, in contrast with the growth of which any mere money debt would seem, as far as the interests of posterity are concerned, utterly insignificant. Let it be asked, what would have been the position of England at this hour if, instead of removing all possible hinderances to the development of trade, the taxes of 1815 had in preference been continued, with the view of paying off the national debt, and an idea of the responsibility that attaches to our properly grappling with this question for the future will at once be attained. We shall, then, aim that the period of the present war—whether it be one year or ten—should still be marked by progress, and not by stagnation or decay; and that, owing to a continuance of those measures which have already diffused prosperity in every quarter, its termination should find us with an increase of means, compared with which any increase of responsibilities would seem nominal. Two openings appear to invite us, such as might alone compensate for much that we have sustained—the substitution of Indian for Russian produce, and the possible removal of the mutual prohibitions to the trade of France and England. At the same time, there are domestic measures to be carried out, for setting free co-operative associations, which, by affording scope for the public, tired of distant delusions, to accomplish great works at home, may cause our cities to vindicate us from the reproach, that private enterprise is incapable of competing with the results of absolute power. In this way, by carrying on the contest of commerce against restriction, by waging war against the obstacles that still meet it in distant regions, and by overcoming the material enemies to health, comfort, and grandeur at home, our civil functionaries, merchants, and financiers will best perform that duty which each in his sphere owes to his country, and which others are ardently performing on another field. They can assist the war in no other way than by adding to the power and wealth by which its cost is to be defrayed,—and this is not a time

for idleness in London, any more than at Sebastopol. In place of feeding day after day in vague excitement, and in all the secure amusement of wonder or criticism, on the labours of its sons elsewhere, let the nation recall that it is now, more than ever, that the manifestation is required of all the qualities by which that permanent greatness is achieved which these men are laying down their lives to defend. We may then feel certain that the year now begun will form no exception to those by which it has been preceded, in its solid results to the welfare of England and the world, and that at its close, whether the war be ended or not, the Czar, in the contrast between his own impoverished trade and the growth of that of his opponents, will have approached a nearer perception of the bitter truth he is destined to learn—that the accumulation of the penalties his people are to sustain does not depend upon the final moderation of the Allies, but that every month of what he calls successful resistance involves a transference of power to other regions, which neither he nor his descendants are likely to recover.

The writer in the *Daily News* also enters at length into the course of trade:—

The most important element in extending commerce is plenty of sustenance. This being secured, luxuries are more indulged in, and speculation entered into on a greater scale. The year 1854 commenced, however, with a comparative dearth. The food of Europe was deficient, and the weekly average price of wheat—75s. 2d. in the last week of the year—was nearly 79 per cent. above the average price (41s. 7d.) of the five preceding years. There was a scramble between England, France, and Italy, for corn; and only as it was drawn hither in considerable quantities by our high prices did they begin to relax. Comparative abundance having been assured by large imports, a promising harvest ultimately realised sent down prices, till, the general deficiency again becoming paramount, and a necessity being again felt for large imports, prices at the end of the year were as high as at the beginning. Over all business the price of food exercises a paramount influence; and this having been irregular—the imports of corn, too, having been very large in the early part of the year, very small in the autumn, to revive in winter, or in spring—it has given a character of irregularity to the whole of the year. Trade has not been brisk, because food has not been abundant, of which the high price is the evidence; and it has been somewhat irregular, from the irregularity of the supplies. The caterers for the public, however, or the corn merchants, particularly the Greek houses, have not done amiss. They carried on an excellent trade through the early part of the year, and were well rewarded. They were extremely prudent in the summer and autumn. Their stocks were small when the fall of price took place; and, if they did not gain much then, on the approach of winter the chief check to their gain was the difficulty of procuring supplies. Since we have had free trade, corn merchants have had a regular, steady, and thriving trade; and, if it has been less regular in 1854 than in the immediately preceding years, they have nevertheless found it gainful.

The close of 1853 was marked by an apprehension of war, which induced unusual importations of articles—such as hemp, flax, tallow, &c.—likely to be affected by war. In the year now hastening to its close the apprehension was realised, and war, with its blockades, not always definite or certain, added to the disturbance and irregularity of trade. But such a large portion of trade takes the route to the west, and so little direct to the east, that war has caused far less interruption and less irregularity than those who remembered the commencement of former wars, or had read of them, were led to expect. Far more influential than the war was the condition, as gradually disclosed month after month, of the markets of California and Australia, crowded first, and then actually smothered with goods from all quarters of the world—checking exports in future from our own and other countries—causing considerable loss to inconsiderate exporters. It was the first blow given to the great system of credit, which had grown to a vast extent in the United States, deluging that country with bank notes and shares of companies—many of them fictitious, some of them actual forgeries. It deranged the money market there, and led, before the close of the year, to the bankruptcy of more than 100 banks, causing a greater prostration of credit and commercial devastation than has been experienced since 1837. It influenced the money market in Europe, and paved the way for some bankruptcies here, the last of which has not yet come. It led the way to the interruption of trade complained of. The fever of excitement prevailing in 1852 and 1853, the consequence in part of the gold discoveries, ended, in 1854, in general debility and partial paralysis. Trade has been disastrous, in America at least, which affects England, and in our colonies, which affects it still more; and complaints have been numerous, and, in some respects, well founded.

It has suffered, too, from moral causes. It is probably more honest than formerly, but it is far less a mystery; and, in 1854, a number of frauds have been brought to light in more countries than one, which have spread general mistrust. Throughout the year, the terms of the money market have been high, partly from capital being scarce, and partly because the securities were suspected. On account of the war, too, there has been a continual expectation that money would be dearer; and, except for very short periods and on undoubted securities, it has at no time been easy—a condition less warranted this year by the large profits of business than by the doubts which the conduct of some business men generated. The rate of discount has ruled very high through the year. Down to 2 per cent. in 1852; continuing about 3 for so long a period that statesmen and actuaries began to set this down as the natural rate of interest; it has been never less than 5 per cent. in 1854, and between May and August was  $5\frac{1}{2}$  per cent. With a short supply of corn, the disturbance of war, discredit, and dear money, trade has had many adverse circumstances to struggle against in 1854.

From the high rate of discount, moneyed capitalists have been great gainers. All the bank returns published at the end of the half year

showed dividends on bank capital of 8, 9, 10, to 12, or even 15 per cent. Since then, borrowing has not been so brisk, nor has lending been so safe. By some bankruptcies the banks have been sufferers, still their business has continued good, and the moneyed interests will show, we believe, a largely increased store at the end of the year—unless, indeed, they should have made more bad debts in the latter part of the year than gains at the commencement, and so will have a less favourable balance to show than we anticipate. We would, however, especially guard ourselves against its being supposed that, in our opinion, the moneyed classes can gain by the losses of others. It is, on the contrary, when all trade is most successful, when credit is good, when discount is reasonably low, that trade flourishes, and that with trade the money classes flourish too.

Turning to our imports, to judge of the extent of our trade, it must be remembered that the precious metals imported in payment of our exports are never included in our trade tables. We know, however, that the bullion in the vaults of the Bank of England, the principal place of deposit, is at present, £14,028,879, and is £1,800,000 less than at the beginning of the year, when it was, £15,852,890; and we infer, therefore, that the country has retained none of the precious metals imported in 1854, except the small quantity employed as plate. With respect to gold and silver the country is so much poorer. Throughout the year a continual expectation has prevailed that the stock of bullion in the Bank and in the country would increase; and week after week, as the imports were told off in the public press by hundreds of thousands, and sometimes by more than a million, while nothing was heard of exports, disappointment has been expressed that the stock decreased. There has not been any rise of prices, as was generally expected from this cause, which has been to most traders a source of disappointment. The diffusion of gold from the two countries in which it has latterly been found so abundantly, by their extensive trade—extending as it were over the whole habitable globe—preventing in any one spot, except in California and Australia, a great rise in prices, is universally beneficial. Remembering what we are told of the first discovery of America in extending commerce, and raising up a middle class in Europe, we infer from this sudden and general diffusion of greater heaps of the precious metal than ever before stimulated industry, the approach of further improvements in society. England has been quite unable to keep within her own limits any of the gold discovered in her territory, and there is not more bullion now in the Bank than there was on several occasions prior to the discovery of gold in California and Australia. The United States, requiring gold more than England, have kept within their territories perhaps the half of what has been gained in California, and increased their metallic coinage by 130,000,000 dollars; but these treasures have rather gone to stimulate the industry of civilised society than been heaped up in one country. The diffusion of gold stimulating trade universally is one of the many circumstances which have led to disappointment here, and have continually cheated the hopes of those who counted on an increase of paper

circulation, and an easier money market, from a continual influx and heaping up of gold in England.

The imports of many other articles have declined. Trade is not now brisk, and has not been particularly brisk for some months, except trade for consumption at home, which seems as active as ever. We may, therefore, take the trade tables for ten months—all that have yet been published—as an index to the whole year. Although the imports in 1854 very rarely fall below those of 1852, they, in many instances—such as wheat and flour, flax, hemp, tobacco, wool, &c.—show a considerable falling off as compared to 1853. Some articles—such as coffee, silks, sugar, spirits, tea, wine, &c.—in part have increased. Some of the diminution has been the result of the war, though its influence has, in this respect, been much less than was anticipated, while that of other causes has been greater. The short supply of currants, tobacco, wool, and some other articles, is due to the products being less in the producing countries, while the falling off in flax, and hemp, and tallow, may be attributed to the war. At the same time, our exports of our own produce, which were very large in 1853, have actually been larger in 1854, while the exports of foreign and colonial produce have been considerably in excess. Between the values of exports and imports there is no means of striking a balance; but, from the increase in our own exports, the increased quantities of foreign and colonial goods exported, and the diminished quantities of imports, we infer, including the precious metals, that the balance is on the side of exports, or that they have, in 1854, much exceeded the imports. In 1853, both exports and imports increased very much. In 1854, the imports have decreased, and the exports have increased still more, leaving in the country a less quantity of available wealth (unless, which is perhaps the case, the diminution of imports is of articles of little value, while the increase is of articles of great value) than it possessed at the commencement of the year. A reference to the stocks on hand shows that of sugar, tea, and some other things, they are greater than at the close of last year; of coffee, cocoa, and others, they are less. The fact that imports have fallen off, and exports have increased, is undoubted; but the public statistics do not enable us to know on which side is the balance of value. The total of the balance of value, however, represents the gains or the losses, as the case may be, of individuals; and we suppose that the results must, on the whole, be regarded as not very favourable. Accordingly, that many individuals express themselves greatly disappointed in the transactions of the year is undoubted.

To the latest period for which we have returns, consumption in 1854 has very generally exceeded consumption in 1853. The trade tables are fully confirmed by trade circulars and other documents, which come down to the present time, and which show that of sugar, tea, cocoa, &c., the deliveries have continued in excess of last year. If trade has not been good for importers and dealers generally, it has been beneficial to retailers and consumers, and the bulk of the labouring classes have continued prosperous. The losers are in a minority, and when

the imports and exports have been very extensive, and consumption great, the majority must have done tolerably well.

Our shipping has been well employed throughout the year. Though some failures have occurred amongst shipowners, these were obviously the result rather of individual recklessness, than of general depreciation. The demand of the Government for transports came timeously for the shipowner, when the demands of the merchants for his services had lessened; and no complaints have been made in England similar to those made in the United States, where ship-building has for the moment come almost to a stand, and where ships have latterly been lying idle in great numbers.

The year closes with signs of improvement. Alterations in the French laws, and in the Belgian laws, relative to distillation, have increased the demand for colonial products; and the price of sugar, and of some other articles, to the relief of the importers, has tended upwards. In Manchester a great depression in prices has led to large purchases, and old stocks have been cleared off. Buyers for India have appeared. The Greeks, who are the great exporters to the east, have become active. The home trade exhibits signs of the wealth in the hands of the farmers, resulting from the abundant harvest; dearth, which was threatened two months ago, is no longer thought of, and in spite of dear bread and the war, trade is not so bad as was expected. All the manufacturers, particularly the hardware trade, who work for the United States, are suffering, and likely to suffer for some time, from the complete stagnation of business there, of which we can mention no more forcible proofs, than that a stream of emigration from New York, at the rate of 2,000 a month, is setting in for England; that the "operatives in that city are discharged weekly by thousands" for want of employment, and that affecting appeals are made to those who have escaped the ruin to spare what they can to save numerous families from starvation. When our largest customer, who has not been involved in the war, is thus deeply distressed, we are less surprised than grieved at a mere slackness of trade amongst ourselves, and grateful that the year closes no worse. Nor can he long continue deranged. His vigour is unabated, his disease is only a momentary surfeit; the great source of his power is the occupation of the soil, is increasing week by week and month by month, and with that his wealth, his means of payment, and his demands on our assistance, will continually increase.

The latest accounts from San Francisco describe a greatly improved market there, and greatly reduced stocks. This is the first step towards the revival of credit in the United States, and towards an improved condition of the markets of Australia; from which we, too, may hope for improvement.

We must observe, also, that the high price subsequent to the abundant harvest, and the comparatively great quantities of corn sold by our own agriculturists since the end of August, have stimulated them to greater exertions, and given them the means to make these exertions. An excellent seed time, and great breadth of land sown, while the

management of the land has been continually improved, are of excellent augury for the ensuing year. Just now, too, corn is beginning again to come forward, though in small quantities, both from Egypt and the United States; and there is every probability of our wants being well supplied in the spring, and of the next harvest answering to our wishes and our hopes.

Every class, we believe, has been disappointed by the commercial transactions of 1854. The extraordinarily large trade of 1850 led one class to prognosticate fearful bankruptcy in 1854. More hopeful men looked for a continuation, or even an extension, of the extraordinary prosperity, and indulged in visions of ever-increasing wealth. Friends of peace predicted ruin from war. Those who did not fear war and were friends of speculation, were delighted with the prospect of blockades, high prices, new sources of supply, and great additional wealth. But the sagacious men, who foresaw coming events, had spirit to run before them. The year has yielded no such fruits. There have been no great bankruptcies growing from the Australian trade, no great increase of wealth from new treasures, no great vicissitudes from war, no great fortunes made. Commercially speaking, the year has been dreary, dull, and anxious—uncertain and delusive. Even those who have gained, like our own agriculturists, have gained, as it were, in defiance of their expectations.

With regard to the general course of events, the writer in the *Morning Chronicle* thus remarks:—

In the early part of the year, the position of the Bank of England occasioned some solicitude. The discovery of gold in Australia some time previously led to the most extravagant expectations as to the probability of a great influx of the precious metals from the colonies, and the large amounts which at one time were received encouraged this belief; but it was soon discovered that, after being coined, the gold was re-shipped to the colonies. There were not wanting more experienced business heads, however, who, correctly reasoning upon a plain principle of trade, urged that all commerce being an exchange of commodities, the vast shipments of British manufactures to our new colonial possessions must be paid for in great part with the precious metals, and that, therefore, the position of the Bank, sooner or later, would certainly be improved by considerable additions to the stock of its treasure from this source. It was not so, however, for extravagant and excessive exports have occasioned a glut of goods in the colonies, and there is now a disastrous failure in expected remittances. During the year ending December 24, 1853, the stock of bullion in the Bank of England suffered a diminution to the extent of £5,884,183. In the first week of February in the past year, the stock of gold coin and bullion possessed by the Bank in both departments was £16,226,688. The "other securities," discounts, and loans, were £13,570,465. The reserve of notes was £6,966,505. On the other side of the account, the "other deposits" amounted to £12,608,926. The account at the close of the year, made up to the week ending December 9, 1854, presents the following changes in the foregoing essential features of the Bank state-

ment. The stock of gold coin and bullion in both departments was £14,005,444. The "other securities" were £13,732,473. The reserve of notes was £7,928,830. The "other deposits," or customers' balances, were £9,691,373.

It will thus be seen that the fluctuations in the Bank of England account during the first year of war have been very inconsiderable, and not of a character to diminish confidence in the monetary resources of the country. The features in the year's Bank account worthy of notice, therefore, are, that the gold coin and bullion in the year have undergone diminution to the extent only of £2,226,244—an amount too inconsiderable to give rise to uneasiness. The reserve of notes employed for banking purposes has increased in the year from £6,966,505 to £7,928,830—an amount larger than is usually considered necessary in this branch of the Bank establishment. The "other securities," or bills discounted and loans, are about as they were at the commencement of the year. It is noticeable, however, that there has been a very considerable withdrawal of money from the private accounts of the Bank's own customers, the "other deposits" having been reduced during the year from £12,608,926 to £9,691,373. This fact may be readily accounted for by the increased employment for money at profitable rates. The Bank rate of discount throughout the year has ruled high, but not more so than the demand for money justified. Indeed, there have not been complaints from important interests of difficulties from the high rate of discount, but, on the contrary, the course adopted by the directors has given general satisfaction; and we may point to the present position of this great establishment as displaying the sufficiency of our monetary and banking resources to carry us through any external difficulties.

In the course of the past year, money capital has been very profitably and safely employed in the operations of business. If the rate of interest—5 or 6 per cent.—has been much higher than in most years, there has, notwithstanding, been no difficulty in effecting discounts upon customary trade security. We can trace in no direction any obstruction to the prosecution of commercial enterprise from this cause.

The advantageous employment of money is strikingly shown in some of the accounts of our joint-stock banks. The oldest as well as the most wealthy of the London joint-stock banks is the London and Westminster, which possesses a paid-up capital of £1,000,000. It should be observed that a rule exists with these new banks of allowing a certain rate of interest, proportioned to the value of the money in the market, upon the smallest amount of each customer's balance on any day in each month. Interest is also allowed upon considerable sums deposited for fixed periods, at stipulated rates. This new feature in the business of banking is peculiar to the joint-stock banks, and does not exist among the wealthy private establishments, which engross the larger part of the banking transactions of the metropolis. The net profits of the London and Westminster Bank, for the half-year ending June 30, 1854, after discharging a heavy amount of interest upon current and deposit ac-



counts, amounted to £73,900 19s. 5d., out of which a dividend was declared at the rate of 6 per cent. per annum, with a bonus of 3 per cent. upon the paid-up capital for the half-year, and leaving a surplus to carry forward to the next account. The report of the Union Bank of London furnishes still more striking results. The paid-up capital of this establishment is £422,900. The Union was able to pay its customers during the half-year, as interest upon current and deposit accounts, the large sum of £107,739 17s. 5d., leaving £84,631 11s. 2d. net profit for division among the proprietary. The dividend declared was at the rate of 10 per cent. per annum, clear of income tax, with a bonus of 5 per cent. upon the half-year. The London Joint-Stock Bank, with a paid-up capital of £600,000, declared a dividend at the rate of 10 per cent. per annum, and carried over £24,695 7s. 3d. as undivided profit to the credit of the current half-year. The Commercial Bank of London, with a capital of £300,000, declared a dividend at the rate of 6 per cent. per annum, with a bonus equal to 4 per cent. These facts, illustrative of the business operations of these large banking establishments, are valuable, not merely as recording the success of the new joint-stock establishments, but they furnish us with a light by which we can discover the profits of our leviathan private banking firms, and what is still more important, they enable us to see to what great advantage money capital must have been employed during the past year. Now, there is not the slightest reason to believe that these successful and highly profitable banking results have arisen from any forced business efforts, but, on the contrary, there is the clearest evidence that they have sprung from the legitimate demands for money arising out of an active state of trade and commerce. Although the rate of discount during the year has ruled high, there has been nothing like a panic demand for money to enable discounting firms to exact exorbitant rates from borrowers.

With regard to the English Stock Market, the most remarkable feature to notice is the fact of prices having gone down considerably more prior to the commencement of hostilities than during the actual progress of the war. Indeed, no sooner did hostilities commence than the market gradually rallied, and has since shown extraordinary firmness at very high prices, compared with those in former periods of a like kind. This has been a source of great surprise to many, but it has been the natural result of the progress of this nation in wealth, intelligence, and power. Money has been singularly plentiful, and has quite overpowered the depressing influence of the war. No Government loan has yet been found necessary, and the increased burden of taxation necessarily imposed on the people has been but slightly felt. The public, who in former periods of war were continuous sellers of stock, have during the past year been extensive purchasers for permanent investment. As the subject has on former occasions been fully treated by us, it is unnecessary to enlarge upon it here.

The fluctuations in the value of Consols during the entire year have been about 11 per cent. The lowest price was 85½, and the highest 96½.

The value of the foreign securities has not generally been violently agitated, which is the more remarkable, as several are necessarily directly connected with the altered state of political affairs on the Continent. There has, however, been a decline throughout the market to a greater or less extent, as various circumstances have operated to affect them. The two principal events connected with the market to which a passing remark may be made, are the introduction of a new Turkish loan, and the proposal of the Peruvian government to re-arrange its foreign debt. It is to be regretted that the first application of the Porte to the London market should have been withdrawn by the Sultan, as it necessarily operated prejudicially when the second loan was applied for. The first loan went up to 13 premium; the present one has been down to 9 discount. With regard to the Peruvian debt, as negotiations are still pending for its settlement it would be premature to say more on the subject, as we have already, on former occasions during the progress of the year, taken a prominent part in bringing the propositions of the government before the bondholders.

The principal fluctuations in the foreign securities have been from 10 up to 30 per cent., namely, Austrian Five per Cents., highest price 91, lowest 64, difference 27 per cent.; Brazilian Five per Cents., highest price 99½, lowest 90 ex div., difference 9½ per cent.; Peruvian Four-and-half per Cents., highest price 75, lowest 52, difference 23 per cent.; Russian Five per Cents., highest price 112½, lowest 82, difference 30½ per cent.; and Turkish, highest price 7½ prem., lowest 9 discount, difference 16 per cent.

Considering the fluctuations that have taken place in other approved English securities, it must be admitted that railway shares have maintained their value with remarkable firmness, quite unusual during a period of such vicissitudes as have been witnessed during the year now closed. One great element in the stability of the prices of these as well as in all other securities, has been the extraordinary abundance of money in the hands of the public, and their confidence in the steady and healthful progress of affairs—monetary, commercial, and political. There has been no real distrust, and, instead of selling, they have added largely to their investments. Hence prices have kept up extremely well.

The fluctuations during the year in the leading railway shares have been from about £14 to £17 10s. North Western have been up to 107½, and down to 92, being a difference of £15 15s.; Great Western, 84 and 68½, a difference of £15 2s. 6d.; South Western, 86½ and 72½, a difference of £14; and Brighton, 110½ and 93, a difference of £17 10s.

The state of the grain trade during the past year offers matter for instructive observation. During the closing months of the previous year, and indeed throughout the last winter, the price of wheat had ruled seriously high, the weekly average at the commencement of the past year, January 7, having been 76s. 2d. per qr., whilst the six weeks' average ending at the same date in the previous year was only 44s. 8d. On the 28th of January it had reached 83s. 3d., and so late

as the end of June the price was as high as 78*s.* 7*d.* By the end of August, when the productiveness of the harvest became known the weekly average price of wheat had fallen to 62*s.* 3*d.*; and a little later, in the middle of September, it had fallen so low as 52*s.* 5*d.* This gratifying proof of the abundance of the produce of the harvest, gave much satisfaction to all classes of the people, and it was hoped and believed that, in any difficulties in which the country might be placed, the working part of the community would be amply supplied with that important article of food, bread, at a reasonably low price. The satisfactory reports of the completion of the harvest, and of the fine quality of the grain, its more than usual weight, and the abundance of the yield, which were received from every district of the country, led political writers into sanguine speculations as to the gain of the country by its most productive harvest. It was said triumphantly that our additional produce would probably pay two years' expenses of the war. There was probability and truth in the statement. We have had no evidence to shake the opinion that the last harvest was one of the most productive that the country has gathered during a great number of years. On the contrary, the scanty means we possess of forming an estimate as to the relative produce of years, leads us to the satisfactory conclusion, that that of the last year was little less than one-third above an average. The *Gazette* returns of the quantity of home-grown wheat sold in the markets which govern the averages, show a remarkable and great increase in our own home supplies at market very soon after the termination of harvest labour. Our object being to estimate the quantity of increased produce, as tested by the home supplies at market, a glance for a given number of weeks at the market supplies before and after the harvest will furnish us with satisfactory information. In the four weeks of May, the *Gazette* returns of the quantity of wheat sold in the markets which govern the averages were as follow:—

May 6. Quarters of wheat sold .....	66,511
13.       "       "       .....	57,450
20.       "       "       .....	54,981
27.       "       "       .....	65,791
<hr/>	
Total.....	244,733

Turning to the supplies after the completion of the harvest for the four weeks of the month of October, we shall discover what we may fairly call an astonishing increase. The home supplies for the four weeks of October were as follow:—

Oct. 7. Quarters of wheat sold.....	151,808
14.       "       "       .....	151,870
21.       "       "       .....	150,277
28.       "       "       .....	144,842
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Total.....	598,790

Here, then, is evidence clear and convincing of the abundance of the last harvest, and also that the high price to which wheat has suddenly

risen is not attributable to any deficiency in our own home supplies at market. Writing at this late period, we possess evidence sufficient to account for the price of grain, which a few weeks ago furnished a puzzle to the most experienced speculators. The truth is that we have been almost without foreign supplies for many weeks, and it is now clear that, for a considerable period to come, we shall be dependent upon our own resources. Good information leads to the belief that America cannot be an exporting country to any extent: the ports of Russia in the Black Sea and the Baltic are closed against us: in France, Belgium, Rome, Naples, Algeria, the exportation of grain to foreign ports has been prohibited. This being the case, we have great reason to be thankful for the abundant produce of our own harvest, but for which bread and flour might have reached famine prices. The present state of the grain market has placed the agricultural classes in a singularly advantageous position in relation to the rest of the community. An abundant harvest makes a positive addition to the wealth of the country, and, in an ordinary state of things, the benefit of it would be experienced, first by the farmer, in increase of produce, and, secondly, by the community, in reduction of price. In the present instance, the farming classes have received a vast accession of produce, with an increase of price. The profit, therefore, great as it has been, of the late productive harvest has passed, or will pass, chiefly into the pockets of the agricultural classes.

The trade reports, throughout the year, from our great manufacturing districts, although they have not been of the same flattering character as in the two preceding years, have, nevertheless—regard being paid to special circumstances—not been of an unsatisfactory character. Birmingham has, in its various branches of industry, exhibited wonderful activity, almost to the time at which we write. The Yorkshire clothing districts have also maintained an active trade. The extensive cotton districts of Lancashire have experienced, during the last few months, a considerably diminished demand for goods, and in some instances mills have been put upon short time to keep down stocks. From Nottingham, Leicester, &c., complaints have been heard. It may be said, however, with much confidence, that whatever depression exists in our great branches of manufacturing industry may be chiefly traced to the prostration of trade in America, the cessation of the Australian exports, and the derangement in the trade with China and some other places. We cannot in any way discover that the high rate of discount, which has now prevailed for more than a year, has obstructed speculation or impeded legitimate commerce. The large failures which lately occurred at Manchester and Liverpool have very properly given rise to much caution in extensive business transactions, but we nowhere see that kind of prostration which, in bygone years, has led to the closing of mills, and the throwing of vast bodies of our operatives out of work. The condition of the operatives must, in the nature of things, have been much affected by the continued high prices of provisions, as well as by the diminished demand for labour; but the privations consequent upon these circumstances have been borne without complaint, and without

any public expression of discontent, such as we have witnessed in former years. It should be noticed, too, that, with the termination of the great Preston strike, an end has been put to that spirit of hostility to their employers which had existed so long among vast numbers of the manufacturing workpeople, and the temporary diminution in the demand for manufactured goods must have convinced them that the demand for labour and the rate of wages, as well as the profits of employers depend wholly upon the prosperity of trade.

In the latter half of the past year, and particularly towards the close of it, in some extensive departments of trade in the metropolis much depression has existed. The building trade, as was foreseen, and the numerous branches dependent upon it, have suffered severely; and, at the present time, very large numbers of workmen and labourers are without employment. Two circumstances have largely contributed to decrease the activity of building speculations,—first, the active demand for money in commerce, at high rates of interest, has withdrawn the attention of capitalists from investments in house property; and, secondly, the improved value of money has so increased the difficulties of small building speculators in obtaining advances and loans as to seriously obstruct their operations. The high prices of materials have also formed another serious impediment to successful progress in this branch. Hence we have seen very numerous failures throughout the year in the building trades, and hence great numbers of valuable workmen and labourers are without employment at the present time. During the last few months, also, the shopkeepers and the small tradesmen of the metropolis have complained, apparently not without cause, of an altered state of trade. Possibly, an increased income tax may have slightly affected the business of the higher class of shopkeepers. It is within our own knowledge that, in the workshops for the manufacture of fancy goods and articles of luxury, there has been a great absence of employment, but the close of the year has brought with it some improvement.

The high prices of provisions, and the diminished employment of the working people, are unquestionably affecting the trade of the class of small shopkeepers, who experience some difficulties in struggling against the times. The printing trade may be noticed as one of those in which there has been an absence of business of an unusual character; but here we can trace a distinct cause operating to produce this adverse state of trade, the fact being, as has been noticed by old publishers, that in seasons of great excitement, when public attention is directed to the columns of newspapers, there is always a diminished demand for books. If the hasty general glance at the state of our various branches of trade which we have thus given is not of so gratifying a character as that of preceding years of unobstructed prosperity, we have at least the comforting assurance that our manufactures, commerce, and trade are in a sound and healthy state, notwithstanding the trying difficulties of the war.

The year, which opened with a brisk demand for shipping for mercantile business, has closed with dulness. Freights, which at one

period were extravagantly high, are now reduced to their usual level; plenty of employment has, however, been found for all our shipping, and it is only now that freights are really falling off. The demands of Government for steam and sailing transports in connection with the war have taken a very large number of vessels out of the market. The suspension of shipments to Australia at the present moment renders tonnage very plentiful, and has greatly reduced the value of shipping property. In illustration of the great alteration that has lately taken place in the Australian trade, it may be mentioned that, whereas the number of vessels loading in the port of London was at the rate of from 90 to 100 per month, it is now reduced to ten or fifteen; and instead of freights being plentiful at 160s. for sailing vessels and 240s. for steamers, they are now scarce, at only 50s. for the former, whilst of the latter there are none on the berth, they having all been taken up by Government for the transport service. Vessels are now sailing out of both Liverpool and London for the colonies in ballast. They will return home with colonial produce—wool, tallow, &c.

The rise in the prices of provisions and materials, and the advance in the various rates of wages, which have taken place during the last two years, have been productive of great changes, and of serious consequences to many important public as well as private interests. To the railway and steam navigation companies the advance has been attended with results fatal to the expectation of many a shareholder and proprietor, who anticipated receiving the usual rate of dividend. Perhaps in no undertakings has this been more peculiarly exemplified than in the case of the Peninsular and Oriental and the General Screw Steam Shipping Companies—the former, which once paid 8 per cent., and the latter which formerly paid 10 per cent., having had during the year to announce the temporary suspension of a distribution of profits. To the advance in coal and freights and rise in the value of tallow, cordage, provisions, canvass, wood, oil, and other articles, with the conjunctive falling off in trade, is mainly attributed the great decline in the profits of all the steam and railway companies. The reports which each had to issue to their shareholders all allude more or less prominently to this subject, and it is but too apparent that it will unfortunately still be for some time a matter detrimental to the market value of the shares and the hopes of the proprietors.

Upon the whole, the commercial business of the year has been of a character to more than satisfy reasonable expectations; and if some degree of gloom may exist in the minds of some men of business, we may comfort ourselves with the evidence of facts, that hitherto our commercial affairs have sustained no injury from causes which might reasonably have created apprehension and alarm. The political speculator who is concerned for the honour and success of our arms in the great war in which we are engaged, may triumphantly point to the past year as affording evidence of the vast resources of commerce, and of the ability of the country to bear whatever reasonable burdens a state of war may render necessary.

## THE FINANCES OF FRANCE.\*

BY M. LEON FAUCHER.

WE have thus beheld England devoting, without apparent effort, to the augmentation of her armaments, during the campaign of 1854, from ten to twelve millions sterling. France, with the same end in view, has imposed upon herself a similar sacrifice. The extraordinary credits opened up to the present time for the increase of our land and sea forces, in addition to the Budget of the year, amount to 276 millions of francs (about £11,000,000 sterling). Besides the resources afforded in the wealth of her territory, and that of her industry, France possesses a credit second only in extent and solidity to that of the English exchequer. With a population more numerous, and naturally more warlike, than that of the United Kingdom, we are enabled to enter the field with more powerful armies; but it would be only flattering, and consequently deceiving, the French people to affirm that her finances are equally prosperous. Without doubt, the past has entailed upon the nation, notwithstanding the sad necessity of ransoming it from invasion and revolutions, charges infinitely less heavy. Our capital debt scarcely amounts to a-third of that of England; and the annual charge, including the fictitious expense of the sinking fund, and the interest of the floating debt, to only one-half, fluctuating between 14 millions and 14 millions and a-half sterling. The impost is, perhaps, better assessed with us, more equally shared between the direct and indirect taxes, and the collections have nowhere been made with greater regularity and dispatch.

The Budget, stripped of those expenses which only affect it locally, presses not assuredly with the same weight, and averages at most from 35 to 40 francs (£1 7s. 9d. to £1 11s. 9d.) per head sterling. Side by side, however, with these advantages, it is necessary to expose to view the weak points in our position. From whatever cause, whether because the progress of public credit is of comparatively recent date in France, or that the amount of capital in the market experiences little animation, our loans are generally contracted upon conditions less favourable. England, judging from the present price of Consols, could borrow at a rate bordering upon  $3\frac{1}{2}$  per cent. The French Government has just concluded a loan at a rate nearly approaching to 5 per cent.,† with an eventual addition to the realised capital of 37 per cent. for the 3, and of 11 per cent. for the 4½. This commencement resembles in some degree the errors, perhaps unavoidable, committed by Mr. Pitt, which we have seen so ably exposed by Mr. Gladstone. On the other hand, the ordinary expenses of the State, instead of being confined, like those of our neighbours, within the limits (equal or inferior) of the revenue, continue to exceed the receipts. An increase of nearly four millions and a-half sterling effected in the two years 1852-3—a progress unlooked for and unexampled—has not sufficed to re-establish the equilibrium. The annual saving of £840,000, which should have resulted from the conversion of the 5 per cents. into 4½ per cents., has been nullified by the increase in the charge for the “dotations” carried to the Budget for a sum of 37,383,114 francs (nearly a million and a-half sterling). The augmentation of the salaries assigned to the “functionaries” has been exaggerated in the same proportion that the Constituent Assembly had exaggerated the reduction. Luxury, to borrow a just expression of M. Chasseloup Laubat, has in this respect replaced indigence. The passion for place and pension influences the servants of the State. If care be not taken, money will soon pass before honour; and public opinion, which pronounces at times even when they neglect to consult it, will be led to inquire whether the remuneration does not exceed

\* The whole of this essay of M. Faucher, including the Finances of Russia, and the Finances of England, in its condensed form, is the able translation of Mr. W. Coles.

† Or, more exactly,  $4\frac{1}{10}$  for the Three; and  $5\frac{1}{10}$  for the Four-and-a-half.

the services rendered. Some of these officers, since the restoration of the Empire, have received, as well from the Civil List as from the Budget, pensions amounting on the whole to 300,000 francs per annum. At this rate, a L'Hôpital and a Turenne would not be considered ill paid.

Thus, then, the progress of the expenses leaves that of the receipts still in arrear. The expenditure for the year 1854 was valued at 1,516 millions of francs (£60,133,000); that of 1855, even after the revision by the Council of State and the Legislative Corps combined, amounts to 1,562 millions\* (£61,958,000), exclusive of the war service, which figures in a special account for extraordinary works, in conformity with the practice which obtained under the monarchy. One is naturally led to remark that the Budget of 1852, the last which was voted by the Legislative Assembly, fixed the expenses at 1,447 millions (£57,396,000). This circumstance apprises us that it would be unjust to place the large Budgets exclusively to the credit of the Parliamentary Government,—the power which at present retains not this title, has also its exigencies to provide for, and wounds to salve. In any case, the absence of a decisive control does not appear to have exercised a beneficial influence upon our finances. The responsibility of the Government being more divided, is thus proportionately increased in the eyes of the country—that is all.

Let us pass to the contributive forces of the nation. It is necessary to premise that France has not yet made sufficient progress in the accumulation of capital, as to render it possible to impose the same amount of charges which the English people would be capable of sustaining. I remember the time, and that not very long since, when it was supposed that Paris, the great and perhaps the only reservoir of floating capital, could not furnish more than ten millions of francs (£400,000) per month for the prosecution of new enterprises: and, in fact, the anticipation of this formation of the national saving has invariably been productive of a crisis in the market. This, amongst other examples, serves to explain the events of 1845. I admit that these savings are affected, at the present day, more rapidly and upon a larger scale. The railway market, which has only been in existence during the last ten years, already represents a capital of a milliard and a-half (nearly £60,000,000 sterling). But, has not this market, as well as that of other stocks, betrayed some symptoms of surcharge? Has it not appeared, previous even to all preage or apprehension of the war, to bend, for a moment, beneath the weight of the burden.

It would be viewing matters *en optimiste* to estimate the savings of the French nation at 500 to 600 millions per annum (about £20,000,000 to £24,000,000 sterling). Deduct the part which goes naturally to find employment in agriculture, in manufactures, and in commerce, and the remainder will be the amount available, as well for the extraordinary expenses of the state as for the great works of public order: £800,000 or £1,000,000 per month appears to me an hypothesis sufficiently liberal. It is, however, the calculation which seems to have been made by the minister of finance, in determining the conditions of the loan—£10,000,000 realisable in fifteen months being equivalent to a monthly instalment of about £680,000; still, it must be remembered that, at the moment when the loan was opened, the money market had already been drained by demands for funds from a multitude of speculations, chiefly the railways, conceded, I do not say without choice, but assuredly without measure. In addition to this, came the corn crisis, which, by obliging the consumers to expend nearly £40,000,000 extra in alimentary commodities, has necessarily retired this sum from the savings and from labour. The dearth must naturally affect France more severely than England;

\* Query, 1565 millions?



for the latter country, accustomed to demand from abroad a large quantity of the corn which it consumes, had only to augment temporarily these requisitions, in order to cover a more considerable deficit, whilst, in an exporting country like ours, it has been necessary to "improvise" a commerce of importation, which demands both capital immediately available, and immense means of transport.

A final source of inferiority exists in the floating debt, which has been carried to a figure that must serve, if circumstances should become more critical, seriously to embarrass the proceedings of the Treasury. On the 1st March, 1851, it amounted to twenty-three millions and a-half sterling; on the 1st April, 1852, the minister estimated the amount at twenty-five millions: and after the arrangement of the service for 1853, it had increased to upwards of thirty millions.

The Budget of 1854 has been voted with an apparent excess of receipts over expenditure of £160,000; in the first place, however, with relation to the revenue, the variable portion of it, or that which follows the public fortune in its progress, or in its decline, viz., the proceeds of the indirect taxes, have been valued at £34,000,000, a sum scarcely inferior to that realised in 1852. The results of the first six months of 1854 are known; as might have been expected, they figure by about £280,000 under those of the corresponding period of the year which has just elapsed. Trade has not yet recovered its activity, and the price of corn, which, notwithstanding the abundance of the harvest, remains very high, still imposes heavy sacrifices upon the consumers; it is only reasonable to anticipate fresh disappointments during the remainder of the year.\* The real revenue will be probably from £500,000 to £600,000 below the official valuation, and, consequently, the Budget of 1854, on this head alone, will be balanced by a deficit of £400,000 to £480,000 sterling. Then come the supplementary credits:—in contributing towards the acts of benevolence, or charitable works imposed by the "communes," for the benefit of the necessitous classes, the Government has already surcharged the Budget of the year with £400,000. The decree of the 5th August, which indorsed the testament of the Emperor Napoleon, adds £320,000 more; other necessities will ere long be revealed. Can the State, for example, leave to the charge of the city of Paris, the £800,000 or £1,000,000 sterling, which has been imposed upon the municipal budget, by the artificial reduction effected in the price of bread, to 40 centimes the kilogramme, for all classes of the population—a reduction which has existed for nearly a twelvemonth? Can it, as the author of the measure, succeed in escaping the consequences, when the result shall have demonstrated, that if it is enabled to provide cheap bread, when corn is high, it will be equally easy to compel 1,200,000 consumers to buy their bread dear, when corn is sold at a low price? The doctrine of mean prices, established by way of compensation between high and low periods, belongs to the same school. Governments deceive themselves in pretending to regulate the commercial value of the products. The price of commodities depends upon their scarcity or abundance. These are phenomena which escape the influence of power or authority, as naturally as the progress of the seasons. At a time when material interests predominate, the liberty of the transactions would appear to be the last thing upon which they can impose a durable restraint. There are other causes which must serve to affect the

\* The correctness of this is strikingly exemplified in the recent extraordinary drain of bullion from the Bank of France: in November it amounted to £1,700,000 sterling, whilst the decrease in three months has been no less than £4,100,000.

The total of the metallic reserve held by this establishment, amounted, on 11th instant, to 14 millions and a-half sterling, against 26 millions of notes in circulation.

floating debt. We have not yet spoken of the extraordinary expenses; it is easy, however, to perceive that the loan will not be sufficient to cover them. The excess is already upwards of £1,000,000 sterling; besides, the expenses of the war will not rest there. With more than 500,000 men under arms, and three fleets upon the sea, we shall probably attain to the figure of £12,000,000, even without calling fresh forces into requisition. The resources created by the loan will present, then, a deficiency of £2,000,000, which the floating debt will serve to augment.

This sum, to judge from the state of the finances exhibited in the very summary and incomplete documents furnished by the Government, will doubtless considerably exceed 800 millions of francs (£31,732,800 sterling) at the end of the year.

In these respects—viz., a Budget overcharged with expenses; a floating debt out of all proportion; and an annual accumulation of capital comparatively less considerable—the state of our finances may be pronounced less prosperous and healthy than that of the United Kingdom. Our resources are nevertheless abundant; the treasures of the country only require to be managed by a hand less prodigal in times of peace, and their employment directed with greater prudence and foresight at the moment of difficulty. France is at the present day two or three times richer than at the period when she paid in succession a ransom of £60,000,000 to strangers, and another of £30,000,000 to the *émigrés*.

In presenting, on 6th March, to the legislative corps the project of the law, which authorised the Minister to borrow £10,000,000, the Government explained the motives which determined it, for the present year, to avoid making any demands upon the tax-payers:—

“No person can imagine that it is possible to obtain, by any considerable extension of the floating debt, all the resources which are required for the services of the war and of the marine. The augmentation of the taxes is not, likewise, a resource applicable to the supplements of defence sufficiently large and prompt as that which the transition from a state of peace to a state of war necessitates. To have recourse to these means would be, in addition, to impose upon the present that which ought naturally to form the charge of the future. It is from the prosperities of peace that we can justly demand compensation for the calamities of war. A loan only can meet at once, and to any extent, the financial necessities resulting from a situation which France has not sought, but from which she will not recoil.”

If the Government had said, “The famine of 1853 has carried distress into families; savings are swallowed up by daily demands, and are irrecoverable. The tax payers, oppressed by the same cause, acquit themselves with difficulty of the ordinary charges of impost. It is impossible to think at present, or before the annual economy of the nation is reformed, of surcharging them by a supplement of taxes; that would be only to aggravate their distress, and, at the same time, to add to the embarrassment of the situation. The State, under whatever form, should demand money only from those who possess it, and in the measure of their resources. The revenue of the nation is diminished and endangered; let us address ourselves, under these circumstances, to the holders of available capital.” If such had been the language held by the Government, it would have encountered no opposition; but, instead of enforcing these motives of justice and humanity, it substituted only the convenience of the treasury, which was nothing less than evident. The loan, under the conditions upon which it has been opened, provides no better than a tax for “the supplements of defence, large and prompt, which the transition from a state of peace to a state of war necessitates.”

The expenses of the State being divided into monthly instalments, the important point was to obtain the certitude rather than the immediate disposition

of a considerable reserve. The impost had provided for this necessity as well as the loan, or, in any case, concurrently with it.

It is said further, on the part of Government, that we ought not "to impose upon the present that which should properly be carried to the charge of the future;" a theory completely opposed to that entertained by Mr. Gladstone. By a strange contradiction, whilst the English Government maintains that the expenses of the war are rightly applicable to the time being, and ought to be supported exclusively by the tax-payers, the Executive in France demands the privilege of exemption in favour of the present generation; and, at the risk of exhausting credit by appeals without ceasing, casts the burden entirely upon posterity. The truth is situated between these equally arbitrary assertions. The right of all public authorities to engage or mortgage the future must be distinctly recognised: besides, the limits which separates it from the present is scarcely appreciable. To a prudent Government, the interest of both should be identical; but posterity having no voice in the matter, it is obligatory upon the executive to burden it only with those charges which the generation engaged in the combat are not in a position to bear. Between the present and the future, necessity is the sole arbitrator. Refuse to the Government the right to hypothecate "upon the prosperity of peace," the charges of the war, and the public debt has no longer a base—you paralyse, in default of a loan, the works which minister to the grandeur or the repose of nations. Admit, on the contrary, that the Government is omnipotent, and possesses the power of relieving the present at the expense of the future, and you afford to those who come after, the irresistible temptation to repudiate the burden bequeathed to them; and which, from the moment that it becomes too heavy, will not fail to appear to them unjust. Let us come to facts; the State has just borrowed £10,000,000; but new necessities declare themselves: are we to address ourselves once more to credit? If this course should be adopted, it will be necessary to await the expiration of the payments which remain to be made; for it would be impossible to involve the loan about to open with the one already in operation. That brings us to the month of June, 1855.\* The public subscription opened in March last possesses many

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\* It is needless to remind our readers that a new loan, for 500 millions of francs (£20,000,000), has within the last few days been put forward by the French Government. The following are the terms of this loan, as recently published in the *Moniteur* :—

Art. 1.—The Minister of Finance is authorised to proceed by public subscription to the alienation of the sum of 3 and  $\frac{1}{2}$  per cent. Rentes, necessary to produce a capital of 500 millions.

Art. 2.—The 3 per cent. shall be issued at the rate of 6,525 francs, with right of possession from 22nd December, 1854. The  $\frac{1}{2}$  per cent. shall be issued at the rate of 92 francs, with right of possession from 22nd September, 1854.

Art. 3.—Agreeably to the purport of the 3rd section of the 1st article of the law of 31st December, 1854, the dotation of the sinking fund shall be increased from 1st January, 1855, by a sum equal to the 100th part of the nominal capital of the Rentes, which will be issued by virtue of the first article of the present decree.

The public to be admitted to the subscription from 3rd to 14th January, the 7th (Sunday) inclusive.

Subscription lists for a portion of the New French Loan have been opened here by Messrs. Rothschild and Sons and Messrs. Baring Brothers, by arrangement with the "Société Générale de Crédit Mobilier," in Paris. The announcement conveyed in the circular of the latter firm is in the following form :—

Each application to be accompanied by a deposit of 10 per cent. upon the amount, at fixed exchange of 25 francs per pound sterling. Should the amount

advantages, of which, doubtless, the most important consists in its attracting to the Funds the small capital of the provinces; which, being otherwise expended in territorial requisitions, inflate the value of the soil, and divide it into parcels, so to speak, infinitesimal. But whilst the result has on the whole afforded just grounds to the country for congratulation, it must at the same time be confessed that the method in question is not unaccompanied with other and very serious inconveniences. It cannot be disguised that the loan thus raised has had the effect, not only of exhausting the provinces, but also of diverting or repelling the great capitalists of the Continent. This circumstance, I fear, will render it very difficult again to have recourse to the same expedient. We have, perhaps, enriched the Stock Market at the expense of the interior; but in estranging the capital of England and Germany, we have deprived ourselves of a resource which is more important than all in the hour of a crisis. The loan of 1854, notwithstanding dearly paid for, would have been an excellent operation, if the State had no further occasion to borrow. In saying this, it is not intended that the markets will be closed against the Government. I am only afraid that the money, whenever it may be required, will not prove very abundant, or the means of obtaining it very easy.

It appears only natural that posterity, in whose immediate interest France has taken up arms, should be made to contribute towards the war by means of their pecuniary resources, as she is at present contributing her blood. There is room for a war-tax in every well-arranged Budget. This tax, in the shape of a direct contribution, addresses itself openly and without disguise to the means of the rate-payers. I am well aware that governments which enhance the tariff of contributions, even in presence of a recognised necessity, are rarely popular; but the love of popularity in these circumstances must yield to a sense of duty. Universal suffrage, with which however I do not confound public opinion, is less passionate and blind than is generally imagined.

Granted that the Government has retrenched £480,000 of the special service for extraordinary works—which at the best is an equivocal species of economy—in order to elevate the receipts to the level of the expenses, it has been reduced to the supposition that the indirect contributions would yield 891 millions of francs,\* about 35 millions and a-half sterling.

inscribed by the French Treasury be less than that applied for, the balance will be returned without further charge or deduction than  $\frac{1}{2}$  per cent. on the cost of the amount apportioned, on delivery of the provisional receipt from Paris. Applications for  $4\frac{1}{2}$  per cent. Rentes to be made for not less than 900 francs Rentes; and for the 3 per cent. for not less than 750 francs Rentes, or for multiples of their respective amounts.

#### *Calculations.*

Francs 900.—Rentes at  $4\frac{1}{2}$  per cent. are equivalent to 20,000 francs. Capital costing at 92 per cent. 18,400 francs, or, at Exchange of 25 francs per pound sterling, £736, on which the deposit of 10 per cent. is £73 12s.; and the commission of  $\frac{1}{2}$  per cent. on £736, if the whole be obtained, is 18s. 5d.

Francs 750.—Rentes at 3 per cent. are equivalent to 25,000 francs. Capital costing at 65 $\frac{1}{2}$  per cent. 16,312 francs, 50 cents, or, at Exchange of 25 francs per pound sterling, £652 10s., on which the deposit of 10 per cent. is £65 5s., and commission of  $\frac{1}{2}$  per cent. on £652 19s., if the whole be obtained, is 16s. 4d.

\* The following is the Budget for 1855, such as it figures in the report of the commissions of the legislative corps :—

It is an amount exceeding by £1,600,000 the proceeds of 1853; and by, perhaps, £2,400,000 those of the current year. How is it to be expected that the increase will continue, and in such proportions? The product of the indirect imposts will not augment every year by two millions and a-half sterling, as in 1852; or even by a million and three-quarters, as in 1853. Consumption is a quantity not without its limits, and the two elements which unite to increase it, viz., the progress of wealth and of population, have been during the last ten years almost stationary in France. If it is inexpedient or undesired to induce the ordinary expenses for the year 1855, it will then be necessary to make an addition to the floating debt, or to resort to an augmentation of the taxes. But independently of the budget, we shall have to provide for the war; if this should continue to cost us every year from £10,000,000 to £12,000,000 sterling, who would counsel our demanding such a sum annually from the resources of credit?

In 1853, the landed contribution was relieved by seventeen centimes; this remission, which amounts to upwards of £1,000,000, has profited the contributors but little, and inflicted a very sensible loss upon the Treasury; we would propose to re-establish it permanently: thirty centimes added temporarily to the four direct imposts would produce from three millions to three millions and a-quarter sterling. The tax upon salt, reduced to a décime per kilogramme, yields annually £1,400,000; by raising the tax to two décimes, which would still be a reduction of a décime upon the tariff of 1847, the proceeds would be increased at least by £1,000,000. It would also be possible to augment the duties which affect alcohol—an article essentially taxable. In fine, by levying a contribution of a-fifth upon salaries above 10,000 francs (about £400), and of a-tenth upon those below, to the amount of 2,000 francs (£80), an additional resource would be obtained of £400,000 or £480,000. Thus, upon the whole, there would be added about £6,000,000

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**RECEIPTS.**

Contributions direct ... ..	Fr. 421,120,048
Produce of lands, forests, and fisheries ... ..	43,912,857
Imposts and Revenues indirect ... ..	891,756,050
Miscellaneous revenues ... ..	57,058,101
Sundry products of Budget ... ..	27,005,000
Amount of reserve of the Sinking Fund... ..	87,258,232
Extraordinary resources, payments by Railway Companies ... ..	37,901,925
<b>Total of Receipts ... ..</b>	<b>Fr. 1,566,012,213</b>
	<b>£62,118,484 sterling.</b>

**EXPENSES.**

Minister of State... ..	Fr. 6,596,400
„ Justice ... ..	27,443,380
„ Foreign Affairs ... ..	9,621,600
„ Finances .. ..	726,372,552
„ Interior ... ..	130,991,220
„ War ... ..	315,897,791
„ Marine ... ..	127,602,402
„ Public Instruction and Religion ... ..	65,619,722
„ Agriculture, Commerce, and Public Works ... ..	76,509,242
„ Extraordinary Works ... ..	78,375,999
<b>Total Expenses .. ..</b>	<b>Fr. 1,565,030,308</b>
	<b>£62,079,535 11s. sterling.</b>

(scarcely a-tenth) to the charge of the taxes. In an industrious and economical country, such as France, upon the eve of a great peril, and where the national honour is concerned, it is certainly possible, without endangering the progress of capital, or bearing unduly upon the springs of private wealth and enterprise, to obtain annually £6,000,000 extra from the taxes, and £6,000,000 from loans. By this means, instead of crushing our finances at the first effort, we should be enabled, in case of need, to sustain the war for ten years; and our endeavours, moreover, would be rendered irresistible.

Taxes and loans are different means of drawing from one and the same source, viz., the market of capital; but this market, which represents the contributive faculties of the country, is open to other competitors beside the State. It is the common fund whence industrial and commercial enterprises are originated, and by means of which, together with the creative power of labour, they are sustained and developed. Can the money market, during a period of war, defray concurrently the requirements of the public service and those of industry? In what proportion are the savings of the nation available for this double purpose? The crisis which we are now traversing may serve to determine the question.

Since the middle of the year 1853—at first under the influence of the alarm excited by the already manifested designs of Russia, and soon under the pressure of the war, either imminent or declared—the position of commerce, of industry, and of credit, has become modified in Europe. The effects of the bad harvest occurring to increase the feeling of apprehension, have served to aggravate the evil. The crisis, however, has another origin, and must be attributed principally to political causes. The depression in the value of property, during nearly ten months, has been slight, but continuous; and has terminated by exercising a disastrous influence upon public fortune. The English 3 per Cent. Consols, which, in the month of June, 1853 were quoted at 100, had fallen towards the end of March, 1854, to 87, equal to 13 per cent.; the 3 per Cent. French, which had for a moment attained the height of 86 francs, and which were still quoted in June, 1853, at 79.50, declined, during March, 1854, as low as 63 francs, equivalent, from the rate in June previously, to a fall of about 20 per cent. In a speech addressed to the House of Commons by Mr. Bright, on 31st March last, the honourable member for Manchester stated, that the decline of the public funds in England equalled at that time a loss of 120 millions sterling; and that the depreciation in industrial properties, such as railway shares, which had been proportionally higher, amounted to 80 millions sterling. England had, therefore, experienced, upon two branches of her wealth, and independently of either agriculture or manufactures, a diminution of national capital of 200 millions sterling. The decrease in the value of personal property has been equally remarkable in France. We have not, it is true, as in 1848, suffered a loss both upon capital and revenue; for the receipts of the railways in particular have presented, for the year 1853, an increase of 16 per cent. upon those of 1852; and the first six months of 1854 have given upon 4,152 kilometres of lines (2,595 English miles), a sum of £3,440,000; showing a further increase of 12½ per cent. But this augmentation, of which the regularity is indeed remarkable, has not preserved the shares of the companies from the depreciation which has affected all other descriptions of stock. The lines completed, or in course of construction, which represented, in 1853, a capital of about £60,000,000, figured at the end of March, 1854, in the quotations of the Bourse, for £14,000,000 less; the holders of these shares consequently, who found themselves under the necessity of selling out, suffered a loss of 23 per cent. upon their capital. At the same time the 4½ per Cents. were depreciated to the extent of 16 per cent.; and this added to the fall in the 3 per Cents. amounts to a diminution of capital of about £36,000,000. There is, besides, the loss sustained upon the railway

stocks, which cannot be estimated at less than £2,000,000; and the depreciation in the shares of the various establishments of credit, such, for instance, as the Bank of France, the *crédit foncier*, and the *crédit mobilier*, amounting to a sum nearly equal: the loss which has affected the stock markets altogether amounts to 52 or 56 millions sterling. In 1848, it was at the rate of 50 per cent., or £140,000,000 upon the Funds alone. The same phenomena have been exhibited still more strikingly upon the European continent. Thus the 3 per Cents. of Belgium have fallen to 90; those of Naples, to 88; Rome, to 80; Piedmont, to 73; and Austria, to 77½; the Piedmontese 3 per Cents., recently issued at 69 francs, were quoted, at the end of March, at 47 only, showing a loss of 30 per cent. upon the capital, or a difference of 52 per cent from the nominal par. Taking the public funds as the representative of the mean rate of the value of money in these countries, it will be seen that France and England are incontestably the two nations least affected by the depression which has weighed upon credit, and consequently upon the transactions of industry and commerce.

Since May last, and especially during the following month of June, confidence has exhibited some symptoms of recovery: people are evidently becoming reconciled to the war, and calculate more deliberately the good and evil chances. In proportion as the power of Russia, when put to the proof by difficulties, has decreased, the forces of the West have appeared to increase and dominate. Even before the result of the harvest of 1854, which must necessarily exercise so important an influence upon the interior economy of the population, had become known, a sensible re-action was manifested in the regions of credit. The following table of the course of the principal stocks at the three periods, viz., the end of June, 1853, and the end of March and June, 1854, will enable us to appreciate the nature and proportion of this movement, as far as relates to France.

	June, 1854.	March, 1854.	June, 1853.
3 per Cents .. .. .	F. 73·30	F. 63	F. 79·50
4½ ditto .. .. .	98·10	88·90	98·10
Chemin d'Orléans .. ..	1,170	1,040	1,170
" du Nord .. .. .	867·50	745	910
" de l'Est .. .. .	702·50	680	822·50
" de l'Ouest .. .. .	650	545	755
" du Midi .. .. .	610	487·50	645
" de Lyon .. .. .	950	772·50	940
" de la Méditerranée ..	827·50	630	745
" de Rouen .. .. .	1,020	850	1,070

After a year of commotions and disorders public credit has found itself re-conducted to within a short distance of the point of its departure. The 4½ per Cents., sustained by the purchases of money, which have not ceased to be effected even in moments the most critical, have regained the rate of 98 francs 10 cents. The 3 per Cents. are still six francs below the price which they obtained at the end of June, 1853. The railway shares have generally recovered their value; but this is, notwithstanding, equivalent to a fall of 8 to 10 per cent., taking into consideration the rise to an equal extent which the progression of the revenue ought to communicate to the quotation of these properties. It results, therefore, that although credit has not regained its former position, the circumstances which have for some time past contributed to test it, have sufficiently established the fact of its solidity. There are, moreover, reasons for re-assurance which I think considerable. In the first place, during a time of war and scarcity, the product of the indirect taxes, that thermometer of the national consumption, has only slightly diminished. Secondly, the voluntary contribution which the public pays to the railway companies as the price for convey-

ance of passengers and merchandise, and which indicates pretty accurately the movement of affairs, exhibits results constantly progressive. And thus we are enabled to infer, not unreasonably, that the revenue of the State, if it has not augmented, has not suffered diminution to any appreciable extent. It has been a year lost for the accumulation of wealth, and that is all.

But, if it is desired that the national resources should preserve this elasticity, it will be necessary to regulate them. Without speaking of trades or manufactures, which do not require the authorisation of the public powers, in two years since the 31st December, 1851, the extension of the railways conceded has exceeded 4,000 kilometres (2,500 English miles): 4,000 kilometres of railways represent, inclusive of the subsidies from the State, an expense of about £40,000,000 sterling for the companies. Supposing that half of this capital has been already realised, £20,000,000, levied within a few years upon the public, must still be regarded as a very heavy contribution. England is, at present, expiating the speculative follies which she committed during the year 1853. The gold of Australia—that gold, of which the apprehended excess had, at one time, frightened so many imaginations—has arrived very *apropos* to the assistance of a serious monetary embarrassment. Nevertheless, the interest of capital, by an after consequence of the crisis, is still comparatively high, the Bank of England sustaining its rate of discount at 5 per cent. Thus, consequently, when I find the Minister for Public Works, in a report addressed to the Emperor, felicitating himself that the execution of the 2,154 kils. (about 1,346 miles) of railways conceded by the State in 1853 will only entail a sacrifice of about £1,500,000 sterling, I cannot help thinking that he would have rendered the State a greater service, and acquired for himself a glory more real, if, foreseeing—which it was his duty to do—the war which has arisen in the East, he had either adjourned or refused one-half of these concessions.

The expenses of the departments and of the towns are another charge upon the finances, which it is important to retain within more reasonable limits. The "*centimes départementaux et communaux*," which, in 1830, amounted to £2,300,000; in 1846, to £4,550,000; and, in 1851, to £5,270,000, figure in the Budget for the present year at £5,600,000. These expenses, which increase much faster than those of the State itself, already absorb the third part of the proceeds of the direct contributions, and amount to a sum nearly equal to the principal of the landed taxes. To this sum of £5,600,000, must be added the £3,000,000 and upwards which the towns derive from "*octrois*," and the proceeds of the loans contracted either by the departments, or by the municipal administrations. The total of the whole does not amount to less than eleven or twelve millions sterling per annum.

The times will not admit of such sacrifices. Famine is no longer knocking at our doors, and we are not driven in consequence to find employment, profitable or otherwise, for our unoccupied hands. For all works of embellishment, it is properly a period of cessation: towns, as well as individuals, ought only to undertake them when their treasuries are full, and their savings cannot be directed to a better end.

"*En résumé*" the position of the towns and of the industrial societies of France is identical with that of the State: possessed alike of immense resources, the finances of each are unhappily deeply involved. Time has not yet been afforded for recovery from the severe perturbation which the country has experienced: the savings of labour, the possession of which is disputed at the same time by the State, the departments, the towns, and the companies, are in point of fact already discounted. It is deplorable with so many elements of wealth and prosperity, that the Government should be in need of resources. Let us cease to regard the public fortune as an illimitable quantity. Let us adjourn new enterprises, and moderate the scope of those which



are in progress of execution. If it is desirable that the State should provide annually for the successful and energetic conduct of the war, an extraordinary service of £12,000,000, it will be unnecessary to leave a free field for it.

We have thus passed in review the finances of Russia, as well as those of England and of France. The task has been undertaken without passion or prejudice. We believe we have presented a faithful picture, as far as the official documents (which in the Russian Empire are few, obscure, and incomplete, and even in France, under the existing régime, are not remarkable for their number or perspicuity) would enable us, of the respective positions of the belligerent powers. The comparison is eminently interesting and instructive. What will be the conclusion derived from it by the public opinion of Europe? Doubtless, in the first place, that Russia has never measured her ambition to her real forces, and consequently possesses neither power or right upon her side in the struggle: perhaps also the relative weakness of the Muscovite Empire will be regarded as the best guarantee of approaching peace. But this is not all:—it possesses a moral of still greater significance, by demonstrating as it incontestably does, the advantages of constitutional Government, and the inconvenience of absolute power. In a speculative point of view, the question has often arisen of the relative value of the different forms of Government, and which is best calculated in times of difficulty, or in face of an exterior enemy, to afford the greatest amount of force and security to a nation. Evidently it is not despotism. Here is a power the most absolute of any, environed by the double authority of earth and heaven—King and Pope—disposing without controul or limit of the lives as well as the fortunes of his subjects—not contenting himself with obedience, but commanding adhesion—and, notwithstanding, the forces of this much dreaded autocrat have been seen to recoil at the first shock. There is no description of Government more vulnerable than despotism; its temperament renders the commission of faults inevitable; its character permits it neither to avow or to repair them. All the forces of which it disposes can be easily detached from it: let it experience a reverse, and desertion soon succeeds to convert the check into an absolute rout. As to the forces of which it has not the disposition, they are those which nothing can replace, viz., public opinion and credit. Despotism can never summon opinion to its assistance, for opinion is its enemy. The sources of credit contract and close before it from the moment that it is pressed by necessity: what security, in fact, can it offer to the lenders? Is there another law than its own will in the Empire? If the despot possesses less of scruples than of caprices, who shall compel him to respect his engagements? Public credit emanates from institutions, it does not attach itself to individuals. In the terms of comparison presented by the war, in proportion as absolute power becomes abandoned, we witness the increase of the power and wealth of the governments. Russia is at the foot of this scale; and I regret for my country to be obliged to confess it—England is incontestably at the summit.

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## TRADE OF THE UNITED KINGDOM.

THE Board of Trade returns for the month ending the 5th of December were issued on the 4th January, and present unfavourable results, the declared value of our exportations showing a falling off, as compared with the corresponding month of 1853, of £1,856,988. The diminution is

observable in almost every article, and has been particularly heavy in cotton, woollen, and linen manufactures; but it is to be attributed almost entirely to the commercial distress in the United States, and the complete check which has at length been given to the mad shipments to Australia. The war thus far has had little other effect than that of awakening prudence, and causing the speculation to these regions to cease before it had extended to a point at which a general crisis would have been inevitable. The fact of the re-action having yet been attended with few instances of individual disaster is, therefore, a matter of congratulation. The annexed table exhibits the exact increase or decrease in the exportation of each description of produce or manufacture :—

## DECLARED VALUE OF EXPORTATIONS.

Month ending Dec. 5.	1853.	1854.	Increase.	Decrease.
Alkali—viz., soda ... ..	£40,491	£35,706	—	£4,785
Beer and ale ... ..	107,922	81,617	—	26,305
Butter ... ..	39,397	39,348	—	49
Candles ... ..	13,435	14,421	£986	—
Cheese ... ..	8,647	6,046	—	2,601
Coals and culm ... ..	135,641	151,376	15,735	—
Cordage and cables ... ..	14,843	14,459	—	384
Cotton manufactures ... ..	2,240,902	1,773,959	—	466,943
Cotton yarn ... ..	686,121	570,733	—	115,388
Earthenware ... ..	130,976	84,756	—	46,220
Fish ... ..	63,368	35,825	—	27,543
Glass manufactures ... ..	49,506	37,828	—	11,768
Haberdashery and millinery ...	306,228	153,386	—	152,842
Hardware and cutlery ... ..	357,138	290,921	—	66,217
Leather... ..	150,643	86,553	—	64,090
Linen manufactures ... ..	448,473	300,109	—	148,364
Linen yarn ... ..	90,358	80,465	—	9,893
Machinery ... ..	236,526	149,919	—	86,607
Metals ... ..	1,239,883	940,890	—	298,993
Oil and seeds ... ..	39,187	63,767	24,580	—
Painters' colours, &c. ... ..	28,949	24,969	—	3,980
Salt ... ..	26,297	19,789	—	6,508
Silk manufactures... ..	113,180	57,856	—	55,324
Silk, thrown ... ..	22,920	15,996	—	6,924
Silk, twist, and yarn ... ..	16,326	18,145	1,819	—
Soap ... ..	24,363	21,977	—	2,386
Stationery ... ..	58,224	39,771	—	18,453
Sugar, refined ... ..	26,432	6,738	—	19,694
Wool, sheep or lambs' ... ..	41,755	86,188	44,433	—
Woollen manufactures... ..	786,674	408,830	—	377,844
Woollen yarn ... ..	83,955	159,429	75,474	—
<b>Total... ..</b>	<b>7,628,760</b>	<b>5,771,772</b>		

The aggregate value of our exports during the first eleven months of the year has been £79,073,838, against £80,784,515 in the like period of 1853, showing a decrease of £1,710,677, or more than 2 per cent., which has occurred in the following manner :—

*Trade of the United Kingdom.*

Month ending			Increase.		Decrease.
February 5	..	..	—	..	£368,748
March 5	..	..	£344,784	..	—
April 5	..	..	993,572	..	—
May 5	..	..	—	..	747,527
June 5	..	..	409,457	..	—
July 5	..	..	934,908	..	—
August 5	..	..	377,105	..	—
September 5	..	..	—	..	449,130
October 10	..	..	—	..	754,952
November 5	..	..	—	..	593,158
December 5	..	..	—	..	1,856,988

As compared, however, with the same period of 1852, there has been an increase of £13,793,704.

With regard to imported commodities, a considerable augmentation is shown, except in bread-stuffs, the arrivals of which have still been small, looking at the prices that have so long prevailed. Tea, coffee, cocoa, sugar, salted provisions, wines, spirits, tobacco, fruits, and spices, all exhibit a greatly increased consumption, partly attributable in some cases to the demand for the army in the east.

Subjoined are the quantities of provisions, &c., imported and taken for home consumption :—

Month ending Dec. 5.	Imported.		Consumption.	
	1853.	1854.	1853.	1854.
Grain, wheat, quarters .. ..	411,128	114,907	411,128	114,907
Grain of other descriptions, qrs ..	183,507	153,238	183,507	153,238
Indian corn, quarters .. ..	46,714	69,241	46,714	69,241
Flour and meal, cwt. .. ..	307,236	46,032	307,236	46,032
Provisions—Bacon, pork, &c., cwt.	19,147	35,269	Free.	Free.
Butter and cheese, cwt. .. ..	73,879	81,761	68,186	79,414
Animals, No. .. ..	77,050	33,947	Free.	Free.
Cocoa, lb. .. ..	601,443	84,066	414,642	443,173
Coffee, British, lb. .. ..	1,468,286	4,450,922	2,269,299	2,763,955
Ditto, foreign, lb. .. ..	608,391	1,641,540	731,029	605,020
Total coffee .. ..	2,076,677	6,092,462	3,000,328	3,368,975
Sugar—				
West India, cwt. .. ..	103,144	162,842	258,432	311,786
Mauritius, cwt. .. ..	193	37,495	59,062	68,045
East India, cwt. .. ..	116,624	62,978	107,126	62,251
Foreign, cwt. .. ..	144,977	219,260	166,027	513,487
Total sugar .. ..	364,938	482,573	590,647	955,569
Tea, lb. .. ..	2,727,649	6,508,556	4,707,287	5,304,604
Rice, cwt. .. ..	81,289	56,966	52,986	56,967
Spirits, gallons .. ..	706,448	1,557,977	456,604	501,123
Wines, gallons .. ..	1,337,012	537,386	606,716	626,429
Opium, lb. .. ..	21,761	7,219	8,004	4,532
Tobacco, lb. .. ..	11,048,405	6,746,149	2,511,542	2,661,046
Currants, figs and raisins, cwt. ..	123,656	74,910	77,627	97,915
Lemons and oranges, bushels ..	53,230	50,992	57,243	53,804
Spices, lb. .. ..	420,539	1,505,854	384,001	545,441
Ditto cwt. .. ..	130	557	437	513

The following are the comparative imports and exports of raw material :—

Month ending Dec. 5.	Imported.		Exported.	
	1853.	1854.	1853.	1854.
Flax, cwt. . . . .	157,499	65,820	—	—
Hemp, cwt. . . . .	133,572	158,978	—	—
Raw silk, lb. . . . .	412,804	317,434	28,314	52,422
Cotton, cwt. . . . .	224,323	303,204	83,827	90,531
Wool, lb. . . . .	9,318,525	7,627,389	3,182,563	4,284,933
Tallow, cwt. . . . .	160,818	123,927	—	—

Of silk manufactures the totals stand thus :—

Month ending Dec. 5.	Imported.		Home Consumption.	
	1853.	1854.	1853.	1854.
Silk manufactures of Europe, lb. . . . .	33,873	19,766	31,710	19,230
Ditto, of India pieces . . . . .	38,786	21,147	10,692	10,237

The importation of other articles during the month has been on a full scale. In most sorts of dyes and dyeing stuffs there has been an increase. Of leather manufactures and metals the arrivals have been steady. The quantity of glass manufactures taken from abroad continues to show a great augmentation. Of oils there has been a sustained increase in palm and other kinds, except train oil. In linseed, also, there has been a large increase, owing to the shipments from India, under a mistaken reliance on the notifications of the Government that the supplies from Odessa and the Sea of Azoff would be shut out. The importation and consumption of timber, again, present an increase of British and a falling off in foreign.

## METROPOLITAN AND SUBURBAN BRIDGE SHARES.

THE evidence lately published on the toll-bridges of the Thames contains, in a scattered form, full particulars of the financial position of the various companies to which they respectively belong. A summary may therefore be made, which will prove useful to the dealers in the securities issued by each. Southwark-bridge was opened in 1819, at a cost of £666,000. Its income at present is about £2,900 per annum, and its outgoings £1,200. Before the opening of New London-bridge, in 1831, it had an income of £7,000, but from that period the receipts rapidly declined. The original shareholders have never received any dividends, but £150,000 of the capital consists of 1,700 preference shares of £50 each, and 5,000 of £13 each, on which 1 per cent. is at present paid, as much as 3½ per cent. having been paid in 1830. At the time of the project to bring the North Kent Railway over the Thames there was an intention to purchase this bridge for £300,000. Waterloo-bridge was built on the authority of an act obtained in 1808 or 1809, at an aggregate cost of £1,050,000. The ~~sum~~ originally subscribed was £500,000, and on

this not a farthing has ever been paid. The remainder was made up by an issue of annuity shares of £8 per annum, for 99 years, at £60 each, to the extent of £300,000, and others of £7 per annum, at £40 each, to the extent of £200,000. There is also a mortgage of £54,000, which takes precedence of every other claim, that amount having been borrowed of Lord Crawford, on condition that it should not be redeemed for 999 years. The average income at present is £18,000, and the expenditure about £3,500. During the last three years the income has increased at the rate of about £900 per annum. After payment of interest on the mortgage debt, the annuity-holders are the only persons who receive anything, and the payment, even in their case, is not more than 4s. in the pound of their claims, or 32s. for every £8 annuity, while the arrears due to them amount to £2,399,937 10s. Charing-cross or Hungerford-bridge was opened in 1845, at a cost of £113,000. The capital raised was £137,000, including a small sum still in hand for an extension. The receipts and expenditure are not stated, but the average annual traffic is 3,121,980 passengers, exclusive of that from the steamboat pier. The revenue has increased yearly by about £100, and last year the augmentation was as much as £800. The company contemplate widening the bridge for a carriageway, at a further cost of £150,000 by the issue of preference shares, and they estimate that the gross revenue would then reach £20,000 to £30,000 per annum. They propose carrying the Middlesex approach through Hungerford-market, widening Hungerford-street. Vauxhall-bridge was built at a cost of about £370,000, the capital consisting of 5,800 shares of £64 each, besides which the company owe about £7,000. The receipts amount to £11,000 per annum, and the expenses to £2,250, enabling a dividend of 26s. to be paid on each £64 share. For seven years before the removal of the South Western Railway station from Nine Elms the receipts were £12,700 per annum, and for a short time a dividend of £2 per share was paid. Subsequently a great decline took place, but for the last four or five years, there has been a recovery at the rate of about £15 per week. Battersea-bridge is 83 years old, but in good repair. Its original cost seems not to be known, but it belongs to thirteen proprietors, who divide between them £400 or £500 per share. The last sale of one of these shares was about ten years ago, and the price obtained was £6,500. The tolls were then about £5,000 per annum, but for the last four years they have averaged £6,100, and they are still increasing, while the expenses are only £750. Putney-bridge was built in 1729, and cost about £30,000, the capital consisting of 30 shares of £1,000 each. The average gross receipts are about £3,550, and the net receipts about £2,117. The dividend paid for the last three or four years has been £64 or £65 per share, and the last price per share was about £2,000. Hammersmith-bridge was built in 1824, at a cost of £85,000. The revenue, which increases at the rate of £150 a year, was last year £3,700, and the annual expenditure is £1,500. The company had a small debt, which has been paid off, and their entire capital now consists of 1,578 shares of £50 each, on which they divide 2½s. a share. Kew-bridge is a private one, and its cost is not stated. It belongs to a person who bought it some years ago for £20,700, subject to a tontine annuity of £330 on a life of 70. Its income last year was £2,750, and the outgoings £230. Richmond bridge was built by tontine in 1774, at a cost of £30,000. The receipts were about £800 a year till last May, when the toll on foot passengers was taken off, and they are now about £600. There is a fund of £14,000 invested in Consols for annual repairs, and the bridge will become entirely free on the death of an old lady of 80, who originally put £100 into the tontine, and who now, as the survivor, receives £800 per annum. Kingston-bridge cost £48,000, and was built about 2½ years ago. The money was obtained by the corporation as a loan from the

Exchequer, at  $3\frac{1}{4}$  per cent., to be discharged out of surplus tolls, if any. About £31,000 remains due, but the liquidation is going on at the rate of £800 yearly. The bridge will therefore ultimately be free. At present it is let at a rent of about £2,000 to £2,200. Hampton Court bridge was built under authority of an act of the year 1749, with the condition that it should be redeemable by the Crown in 26 years at cost. It was purchased by the present proprietor about 25 years ago for £7,000, and is in very unsound repair, but the tolls are exorbitant, and the receipts are believed to range from £1,000 to £1,500 a year. It is let by its owner at £700, but since the lease was granted the tolls have largely increased in consequence of the railway. Of Moulsey bridge nothing is stated, except that the toll is 1s. each way for every waggon; and of Walton bridge, all that appears is, that it is farmed to a person for £300 per annum, that it is in good repair, and that the traffic, which would be great if it were free, is very small.

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### BANK OF FRANCE.

THE *Moniteur* publishes the following monthly debtor and creditor account of the Bank of France, made up to the 11th of January.

	DEBTOR.	F.	C.
Capital of the bank .. .. .	.. .. .	91,250,000	0
Reserve of the bank .. .. .	.. .. .	12,980,750	14
Reserve of the bank in landed property .. .. .	.. .. .	4,000,000	0
Bank notes in circulation .. .. .	.. .. .	507,528,800	0
Bank notes of the branch banks .. .. .	.. .. .	143,062,850	0
Ditto to order .. .. .	.. .. .	6,987,316	35
Receipts payable at sight .. .. .	.. .. .	8,809,723	0
Treasury account current creditor .. .. .	.. .. .	73,259,598	91
Sundry accounts current .. .. .	.. .. .	115,764,498	1
Ditto with the branch banks .. .. .	.. .. .	25,352,449	0
Dividends payable .. .. .	.. .. .	3,100,409	25
Discounts and sundry interests .. .. .	.. .. .	1,223,653	72
Commission on deposits .. .. .	.. .. .	2,569	10
Re-discounted during the last six months .. .. .	.. .. .	1,163,651	93
Protested bills .. .. .	.. .. .	90,073	48
Sundries .. .. .	.. .. .	2,893,455	29
		<b>F.997,469,798</b>	<b>18</b>

	CREDITOR.	F.	C.
Cash in hand. . . . .	.. .. .	213,901,445	60
Cash in the branch banks .. .. .	.. .. .	148,952,880	0
Commercial bills overdue .. .. .	.. .. .	2,044,590	97
Commercial bills discounted, but not yet due, of which 68,476,149f. 90c. were received from the branch banks .. .. .	.. .. .	170,444,993	98
Ditto in the branch banks .. .. .	.. .. .	185,058,536	0
Advanced on deposit of bullion .. .. .	.. .. .	2,223,900	0
Ditto in the branch banks .. .. .	.. .. .	954,340	0
Ditto on French public securities .. .. .	.. .. .	25,943,936	10
Carried forward .. .. .	.. .. .	<b>747,524,622</b>	<b>65</b>

this not a farthing has ever been paid. The remainder was made up by an issue of annuity shares of £8 per annum, for 99 years, at £60 each, to the extent of £300,000, and others of £7 per annum, at £40 each, to the extent of £200,000. There is also a mortgage of £54,000, which takes precedence of every other claim, that amount having been borrowed of Lord Crawford, on condition that it should not be redeemed for 999 years. The average income at present is £18,000, and the expenditure about £3,500. During the last three years the income has increased at the rate of about £900 per annum. After payment of interest on the mortgage debt, the annuity-holders are the only persons who receive anything, and the payment, even in their case, is not more than 4s. in the pound of their claims, or 32s. for every £8 annuity, while the arrears due to them amount to £2,399,937 10s. Charing-cross or Hungerford-bridge was opened in 1845, at a cost of £113,000. The capital raised was £137,000, including a small sum still in hand for an extension. The receipts and expenditure are not stated, but the average annual traffic is 3,121,980 passengers, exclusive of that from the steamboat pier. The revenue has increased yearly by about £100, and last year the augmentation was as much as £800. The company contemplate widening the bridge for a carriageway, at a further cost of £150,000 by the issue of preference shares, and they estimate that the gross revenue would then reach £20,000 to £30,000 per annum. They propose carrying the Middlesex approach through Hungerford-market, widening Hungerford-street. Vauxhall-bridge was built at a cost of about £370,000, the capital consisting of 5,800 shares of £64 each, besides which the company owe about £7,000. The receipts amount to £11,000 per annum, and the expenses to £2,250, enabling a dividend of 26s. to be paid on each £64 share. For seven years before the removal of the South Western Railway station from Nine Elms the receipts were £12,700 per annum, and for a short time a dividend of £2 per share was paid. Subsequently a great decline took place, but for the last four or five years, there has been a recovery at the rate of about £15 per week. Battersea-bridge is 83 years old, but in good repair. Its original cost seems not to be known, but it belongs to thirteen proprietors, who divide between them £400 or £500 per share. The last sale of one of these shares was about ten years ago, and the price obtained was £6,500. The tolls were then about £5,000 per annum, but for the last four years they have averaged £6,100, and they are still increasing, while the expenses are only £750. Putney-bridge was built in 1729, and cost about £30,000, the capital consisting of 30 shares of £1,000 each. The average gross receipts are about £3,550, and the net receipts about £2,117. The dividend paid for the last three or four years has been £64 or £65 per share, and the last price per share was about £2,000. Hammersmith-bridge was built in 1824, at a cost of £85,000. The revenue, which increases at the rate of £150 a year, was last year £3,700, and the annual expenditure is £1,500. The company had a small debt, which has been paid off, and their entire capital now consists of 1,578 shares of £50 each, on which they divide 28s. a share. Kew-bridge is a private one, and its cost is not stated. It belongs to a person who bought it some years ago for £20,700, subject to a tontine annuity of £330 on a life of 70. Its income last year was £2,750, and the outgoings £230. Richmond bridge was built by tontine in 1774, at a cost of £30,000. The receipts were about £800 a year till last May, when the toll on foot passengers was taken off, and they are now about £600. There is a fund of £14,000 invested in Consols for annual repairs, and the bridge will become entirely free on the death of an old lady of 80, who originally put £100 into the tontine, and who now, as the survivor, receives £800 per annum. Kingston-bridge cost £48,000, and was built about 2½ years ago. The money was obtained by the corporation as a loan from the

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DEBTOR.							F.	C.
Capital of the bank .. .. .	..	..	..	..	..	..	91,250,000	0
Reserve of the bank .. .. .	..	..	..	..	..	..	12,980,750	14
Reserve of the bank in landed property .. .. .	..	..	..	..	..	..	4,000,000	0
Bank notes in circulation .. .. .	..	..	..	..	..	..	507,528,800	0
Bank notes of the branch banks .. .. .	..	..	..	..	..	..	143,062,850	0
Ditto to order .. .. .	..	..	..	..	..	..	6,987,316	35
Receipts payable at sight .. .. .	..	..	..	..	..	..	8,809,723	0
Treasury account current creditor .. .. .	..	..	..	..	..	..	73,259,598	91
Sundry accounts current .. .. .	..	..	..	..	..	..	115,764,498	1
Ditto with the branch banks .. .. .	..	..	..	..	..	..	25,352,449	0
Dividends payable .. .. .	..	..	..	..	..	..	3,100,409	25
Discounts and sundry interests .. .. .	..	..	..	..	..	..	1,223,653	72
Commission on deposits .. .. .	..	..	..	..	..	..	2,569	10
Re-discounted during the last six months .. .. .	..	..	..	..	..	..	1,163,651	93
Protested bills .. .. .	..	..	..	..	..	..	90,073	48
Sundries .. .. .	..	..	..	..	..	..	2,893,455	29
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CREDITOR.							F.	C.
Cash in hand .. .. .	..	..	..	..	..	..	213,901,445	60
Cash in the branch banks .. .. .	..	..	..	..	..	..	148,952,880	0
Commercial bills overdue .. .. .	..	..	..	..	..	..	2,044,590	97
Commercial bills discounted, but not yet due, of which 68,476,149f. 90c. were received from the branch banks	..	..	..	..	..	..	170,444,993	98
Ditto in the branch banks .. .. .	..	..	..	..	..	..	185,058,536	0
Advanced on deposit of bullion .. .. .	..	..	..	..	..	..	2,223,900	0
Ditto in the branch banks .. .. .	..	..	..	..	..	..	954,340	0
Ditto on French public securities .. .. .	..	..	..	..	..	..	25,943,936	10

Carried forward .. .. . 747,524,622 65  
8



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Reserve of the bank .. .. .	..	..	..	..	..	12,980,750	14
Reserve of the bank in landed property .. .. .	..	..	..	..	..	4,000,000	0
Bank notes in circulation .. .. .	..	..	..	..	..	507,528,800	0
Bank notes of the branch banks .. .. .	..	..	..	..	..	143,062,850	0
Ditto to order .. .. .	..	..	..	..	..	6,987,316	35
Receipts payable at sight .. .. .	..	..	..	..	..	8,809,723	0
Treasury account current creditor .. .. .	..	..	..	..	..	73,259,598	91
Sundry accounts current .. .. .	..	..	..	..	..	115,764,498	1
Ditto with the branch banks .. .. .	..	..	..	..	..	25,352,449	0
Dividends payable .. .. .	..	..	..	..	..	3,100,409	25
Discounts and sundry interests .. .. .	..	..	..	..	..	1,223,653	72
Commission on deposits .. .. .	..	..	..	..	..	2,569	10
Re-discounted during the last six months .. .. .	..	..	..	..	..	1,163,651	93
Protested bills .. .. .	..	..	..	..	..	90,073	48
Sundries .. .. .	..	..	..	..	..	2,893,455	29
						<b>F.997,469,798</b>	<b>18</b>

CREDITOR.						F.	C.
Cash in hand .. .. .	..	..	..	..	..	213,901,445	60
Cash in the branch banks .. .. .	..	..	..	..	..	148,952,880	0
Commercial bills overdue .. .. .	..	..	..	..	..	2,044,590	97
Commercial bills discounted, but not yet due, of which 68,476,149f. 90c. were received from the branch banks	..	..	..	..	..	170,444,993	98
Ditto in the branch banks .. .. .	..	..	..	..	..	185,058,536	0
Advanced on deposit of bullion .. .. .	..	..	..	..	..	2,223,900	0
Ditto in the branch banks .. .. .	..	..	..	..	..	954,340	0
Ditto on French public securities .. .. .	..	..	..	..	..	25,943,936	10

Carried forward .. .. . **747,524,622 65**  
**8**

this not a farthing has ever been paid. The remainder was made up by an issue of annuity shares of £8 per annum, for 99 years, at £60 each, to the extent of £300,000, and others of £7 per annum, at £40 each, to the extent of £200,000. There is also a mortgage of £54,000, which takes precedence of every other claim, that amount having been borrowed of Lord Crawford, on condition that it should not be redeemed for 999 years. The average income at present is £18,000, and the expenditure about £3,500. During the last three years the income has increased at the rate of about £900 per annum. After payment of interest on the mortgage debt, the annuity-holders are the only persons who receive anything, and the payment, even in their case, is not more than 4s. in the pound of their claims, or 32s. for every £8 annuity, while the arrears due to them amount to £2,399,937 10s. Charing-cross or Hungerford-bridge was opened in 1845, at a cost of £113,000. The capital raised was £137,000, including a small sum still in hand for an extension. The receipts and expenditure are not stated, but the average annual traffic is 3,121,980 passengers, exclusive of that from the steamboat pier. The revenue has increased yearly by about £100, and last year the augmentation was as much as £800. The company contemplate widening the bridge for a carriageway, at a further cost of £150,000 by the issue of preference shares, and they estimate that the gross revenue would then reach £20,000 to £30,000 per annum. They propose carrying the Middlesex approach through Hungerford-market, widening Hungerford-street. Vauxhall-bridge was built at a cost of about £370,000, the capital consisting of 5,800 shares of £64 each, besides which the company owe about £7,000. The receipts amount to £11,000 per annum, and the expenses to £2,250, enabling a dividend of 26s. to be paid on each £64 share. For seven years before the removal of the South Western Railway station from Nine Elms the receipts were £12,700 per annum, and for a short time a dividend of £2 per share was paid. Subsequently a great decline took place, but for the last four or five years, there has been a recovery at the rate of about £15 per week. Battersea-bridge is 83 years old, but in good repair. Its original cost seems not to be known, but it belongs to thirteen proprietors, who divide between them £400 or £500 per share. The last sale of one of these shares was about ten years ago, and the price obtained was £6,500. The tolls were then about £5,000 per annum, but for the last four years they have averaged £6,100, and they are still increasing, while the expenses are only £750. Putney-bridge was built in 1729, and cost about £30,000, the capital consisting of 30 shares of £1,000 each. The average gross receipts are about £3,550, and the net receipts about £2,117. The dividend paid for the last three or four years has been £64 or £65 per share, and the last price per share was about £2,000. Hammersmith-bridge was built in 1824, at a cost of £85,000. The revenue, which increases at the rate of £150 a year, was last year £3,700, and the annual expenditure is £1,500. The company had a small debt, which has been paid off, and their entire capital now consists of 1,578 shares of £50 each, on which they divide 28s. a share. Kew-bridge is a private one, and its cost is not stated. It belongs to a person who bought it some years ago for £20,700, subject to a tontine annuity of £330 on a life of 70. Its income last year was £2,750, and the outgoings £230. Richmond bridge was built by tontine in 1774, at a cost of £30,000. The receipts were about £800 a year till last May, when the toll on foot passengers was taken off, and they are now about £600. There is a fund of £14,000 invested in Consols for annual repairs, and the bridge will become entirely free on the death of an old lady of 80, who originally put £100 into the tontine, and who now, as the survivor, receives £800 per annum. Kingston-bridge cost £48,000, and was built about 25 years ago. The money was obtained by the corporation as a loan from the

Exchequer, at 34 per cent., to be discharged out of surplus tolls, if any. About £31,000 remains due, but the liquidation is going on at the rate of £800 yearly. The bridge will therefore ultimately be free. At present it is let at a rent of about £2,000 to £2,200. Hampton Court bridge was built under authority of an act of the year 1749, with the condition that it should be redeemable by the Crown in 26 years at cost. It was purchased by the present proprietor about 25 years ago for £7,000, and is in very unsound repair, but the tolls are exorbitant, and the receipts are believed to range from £1,000 to £1,500 a year. It is let by its owner at £700, but since the lease was granted the tolls have largely increased in consequence of the railway. Of Moulsey bridge nothing is stated, except that the toll is 1s. each way for every waggon; and of Walton bridge, all that appears is, that it is farmed to a person for £300 per annum, that it is in good repair, and that the traffic, which would be great if it were free, is very small.

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### BANK OF FRANCE.

THE *Moniteur* publishes the following monthly debtor and creditor account of the Bank of France, made up to the 11th of January.

DEBTOR.						F.	C.
Capital of the bank .. .. .	..	..	..	..	..	91,250,000	0
Reserve of the bank .. .. .	..	..	..	..	..	12,980,750	14
Reserve of the bank in landed property .. .. .	..	..	..	..	..	4,000,000	0
Bank notes in circulation .. .. .	..	..	..	..	..	507,528,800	0
Bank notes of the branch banks .. .. .	..	..	..	..	..	143,062,850	0
Ditto to order .. .. .	..	..	..	..	..	6,987,316	35
Receipts payable at sight .. .. .	..	..	..	..	..	8,809,723	0
Treasury account current creditor .. .. .	..	..	..	..	..	73,259,598	91
Sundry accounts current .. .. .	..	..	..	..	..	115,764,498	1
Ditto with the branch banks .. .. .	..	..	..	..	..	25,352,449	0
Dividends payable .. .. .	..	..	..	..	..	3,100,409	25
Discounts and sundry interests .. .. .	..	..	..	..	..	1,223,653	72
Commission on deposits .. .. .	..	..	..	..	..	2,569	10
Re-discounted during the last six months .. .. .	..	..	..	..	..	1,163,651	93
Protested bills .. .. .	..	..	..	..	..	90,073	48
Sundries .. .. .	..	..	..	..	..	2,893,455	29
						<b>F.997,469,798</b>	<b>18</b>

CREDITOR.						F.	C.
Cash in hand .. .. .	..	..	..	..	..	213,901,445	60
Cash in the branch banks .. .. .	..	..	..	..	..	148,952,880	0
Commercial bills overdue .. .. .	..	..	..	..	..	2,044,590	97
Commercial bills discounted, but not yet due, of which 68,476,149f. 90c. were received from the branch banks	..	..	..	..	..	170,444,993	98
Ditto in the branch banks .. .. .	..	..	..	..	..	185,058,536	0
Advanced on deposit of bullion .. .. .	..	..	..	..	..	2,223,900	0
Ditto in the branch banks .. .. .	..	..	..	..	..	954,340	0
Ditto on French public securities .. .. .	..	..	..	..	..	25,943,936	10
Carried forward .. .. .	..	..	..	..	..	<b>747,524,622</b>	<b>65</b>

	Brought forward .. ..	F.747,594,629	65
Advanced by the branch banks .. ..	6,528,550	0	
Ditto on railway securities .. ..	54,337,200	0	
Ditto by the branch banks .. ..	16,337,400	0	
Ditto to the State on the treaty of June 30, 1843.. ..	65,000,000	0	
Discount of Treasury bonds .. ..	30,000,000	0	
Government stock reserved .. ..	10,000,000	0	
Ditto disposable .. ..	55,448,559	82	
Hotel and furniture of the bank .. ..	4,000,000	0	
Landed property of the branch banks .. ..	4,452,122	0	
Expenses of the management of the bank .. ..	98,215	75	
Sundries .. ..	1,743,127	96	
	<b>F.997,469,798</b>	<b>18</b>	

Certified by the Governor of the Bank of France,

D'ARGOUT.

According to these returns, the metallic reserve has declined 33,500,000*f.* in Paris, and increased 1,250,000*f.* in the branch banks. The discount accommodation has augmented greatly, being 36,000,000*f.* more in Paris, and 17,750,000*f.* more in the departments. Advances on public securities of France show an increase of 3,000,000*f.* in Paris, and not altogether 250,000*f.* in the provinces. Advances on railway shares and bonds have increased 4,500,000*f.* in Paris, and 1,250,000*f.* in the branch banks. On the side of the liabilities, the notes in circulation have increased 22,750,000*f.* in Paris, and have diminished 750,000*f.* in the departments. The account current of the Treasury has advanced 6,250,000*f.* Private accounts current show an augmentation of 15,500,000*f.* in Paris, and a falling off of 3,500,000*f.* in the provinces. The whole amount of the metallic reserve at present is 362,750,000*f.* to 650,500,000*f.* of notes in circulation.

### THE NEW SAVINGS BANK BILL.

THE bill embodying the new measure of the Chancellor of the Exchequer, regarding the funds of savings banks, has just been printed, and its clauses are in accordance with the particulars furnished in *The Times* of the 22nd ult. It recites that, on the 20th of November last, the amounts due were £33,909,302 11*s.* 5*d.* to savings banks, and £2,199,549 13*s.* to friendly societies, making a total of £36,108,852 4*s.* 5*d.*, against which the following securities are held:—

Consols .. ..	£10,085,834	7	1
Reduced.. ..	3,555,674	6	3
New Three per Cents. .. ..	19,335,810	1	5
New Two-and-a-half per Cents. .. ..	31,900	0	0
Exchequer bonds .. ..	1,600,000	0	0
Exchequer bills.. ..	58,000	0	0
Cash at Banks of England and Ireland ..	170,658	13	3
	<b>£34,837,877</b>	<b>8</b>	<b>0</b>

Also, that since 1817 the sum of £26,901,356 2*s.* has been credited to depositors for interest, while the receipts have amounted only to £24,070,250 18*s.* 4*d.*

To meet this state of affairs, £21,736,824 14s. 8d. out of the above securities is to be absolutely cancelled—namely, £2,845,834 7s. 1d. Consols, £3,555,674 6s. 2d. Reduced, and £15,355,340 1s. 5d. New Three per Cents.\*), and an account is to be created in its place, to be called the "State Deposit Account, No. 1," to the credit of which the sum of £24,000,000 is to be placed, being about two-thirds of the amount due. On this credit, 3 per cent. interest is to be paid quarterly, on the 20th of February, May, August, and November, commencing in May next, which interest, together with their other receipts, the Commissioners for the Reduction of the National Debt may invest in any Government securities, holding the same liable to meet any demands. The Commissioners are likewise to prepare a balance sheet annually, on the 20th of November, when any deficiency or surplus that may be shown to have occurred on the year is to be arranged, either by an issue of additional securities from the Government, or by the cancelling of apportionment of those already held.

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#### LONDON AND WESTMINSTER BANK—HOLBORN BRANCH.

It is gratifying to notice, from time to time, in the metropolis, the exemplary proceedings of many of our wealthy London firms in improving their premises, so as to conduct their business both systematically and sanitarily. In the new building which has just been completed for the London and Westminster Bank (the parent of all the joint-stock banks), in Holborn, we are happy to recognise the vigour of the Directors, and the prudence which has dictated so judicious an outlay. Those who kept their accounts at this branch a year or two ago will remember the stifling air which met them on opening the shop door of the old place—ceiling about ten feet high—gas burning all day—dirt, darkness, and discomfort everywhere—unfit even for the passing visit of a customer, and most obnoxious to the health of the *employés* doomed to inhale the fetid atmosphere daily for eight or nine hours. A healthful change has, however, been made. We now enter, through doors of British oak, one of the handsomest and most convenient offices in London; giving immediately an impression of ample space, abundant light, and proper ventilation; the temperature being so even, without draught, that the thermometer varies but three degrees in the course of the day. In the general arrangement of the business department, Mr. Henry Baker, the architect, availed himself of various useful hints in Mr. Gilbert's "Prize Essay on Banking," and carried out the work under the superintendence of a Local Committee of Directors, and with the assistance of the able manager, Mr. William Ewings. The counters, desks, and fittings are all of the finest oak and Spanish mahogany. The basement story is fireproof, and almost wholly occupied by seven large strong rooms, classed and arranged, to contain money and securities, plate-chests, title-deeds, &c. In one room are about thirty wrought-iron lockers, of beautiful workmanship, each with a patent lock, adapted for the use of customers who may choose to retain their own key. The several apartments are warmed by hot water, lighted by gas, thoroughly free from damp, and well ventilated. One apartment, with open fireplace and external light, is set apart for the use of the legal profession, who may avail themselves of the opportunity of keeping their clients' papers and deeds in a place of perfect security; and of examining such documents when occasion requires, without further trouble than merely

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\* These items make a total of £21,756,848 14s. 8d., instead of £21,736,824 14s. 8d. The discrepancy is not explained, but there is a wrong addition in one of the printed schedules of the bill.

removing the box containing them from the strong room to the apartment referred to. This is a great convenience, and well worthy the attention of those prudent attorneys who dread a fire, for which no policy of insurance can compensate. In conclusion, we cannot but express our satisfaction at this artistic improvement of our street architecture. The elevation is entirely of Portland stone, and in the Italian style, not fine or redundant in ornament, but with a happy effect produced by good proportion and well studied detail. The upper part is the private residence of the manager.

Mr. Henry Baker is the architect of this handsome pile, and Mr. Myers the contractor.

The opening of this building affords an opportunity of presenting to our readers a sketch of the recent improvements that have taken place in the system of London banking. At the renewal of the Bank Charter, in 1833, the legislature enacted that banks with an unlimited number of partners might be established in London: accordingly, the London and Westminster Bank, with a subscribed capital of £5,000,000 sterling, of which £1,000,000 has been paid up, was formed in the year 1834. This new establishment adopted several new principles in dealing with the public. Parties were allowed to lodge money upon interest even for short periods, so as to suit the convenience of those who had large sums of money waiting for investment. The same privilege was allowed to depositors of smaller sums, even so low as £10, in order to encourage habits of economy and prudence among the more humble classes. Those who wished for the convenience of a banker, without being under the necessity of keeping to their credits a large unproductive balance, were permitted to make arrangements accordingly; while the system of presenting charitable donations to the clerks, under the form of "Christmas money," was altogether prohibited. Soon afterwards another principle was adopted. Branches were established in London at a distance from the head office. The necessity for this had arisen from the increased extent and population of London. It was observed that the previously-existing banks had been placed in clusters. Around the Royal Exchange there were numerous banks for the accommodation of merchants; along Fleet Street there were others, for the use of the legal gentlemen who frequented the Temple; in the neighbourhood of Charing Cross were others, patronised by the aristocracy of Westminster; while the extensive district of Bloomsbury was wholly destitute of banking accommodation. Nor was this a slight inconvenience. To the higher, and even to the middle classes of society, a banker is now almost a necessary of life. When a bank is established, those who have money no longer lock it up in their cupboards, or conceal it in secret places, but send it to the bank, where it is safe from fire or thieves. Those who have large sums they wish to render productive, take them to the bank, and lodge them upon interest. They who wish for temporary advances, apply to the bank. They who are out of business, find that the banker's pass-book furnishes them with a perfect register of their domestic expenditure. They who have valuable documents, as leases or life policies, can put them in a box, and commit them to the care of the banker; while the more wealthy, who have chests of plate which they wish to place in security, when they take their summer rambles on the Continent, have only to send them to the bank. At the same time, all classes have, in the person of their banker, a friend readily accessible, who will give them the best information as to the right way of conducting all their pecuniary transactions.

These advantages were supplied to the inhabitants of the district of Bloomsbury in January, 1836, when a branch bank, upon the new system, was opened at No. 213, High Holborn.

Although this establishment is called "the Bloomsbury Branch," it has in its relation to the public the attributes of an independent bank. All the

arrangements of the London and Westminster Bank tend to localise their branches, so as to give them as much as possible the character of independent institutions, combined with the additional security and accommodation to be obtained from a more extended and wealthy establishment.—*Illustrated London News.*

### THE SOUTH SEA COMPANY.

THE dividend declared on Thursday, the 4th January, at the court of the South Sea Company was  $1\frac{1}{2}$  per cent., free from income tax. The sub-governor (Mr. C. Franks) explained that the advantageous employment of the funds belonging to the corporation enabled the directors to maintain the old rate of distribution. The assets, it is estimated, will produce £119 3s. per £100 South Sea Stock, when they shall ultimately be divided, and in the meanwhile the board are prepared to relieve those who may wish at once to retire, by purchasing their interest at £118. In this estimate the building is still valued at £25,000, but it is expected to realise a much larger sum. The amount of South Sea Stock now in the hands of the public is about £2,100,000, the original capital having been £3,662,000, and the company possessing, through purchases, £1,528,000. With regard to the general arrangements for winding up, the directors state considerable progress to have been made, and that they will be prepared shortly after July, when their Exchequer bills will have been paid off or sold, to divide, if not the whole, the greater portion of their assets under their control. In the £2,700,000 of unfunded debt, the property of the company, a reduction has lately taken place, through sales, &c., of about £1,000,000, the present amount being £1,675,000. The sale of the building is fixed for February, and, if that shall be completed without any impediment, then the entire assets can be appropriated. It is stated that it is the unanimous desire of the directors to have the affairs of the corporation liquidated with all possible despatch, and that that one object, with a due regard to the maintenance of the dividend, has solely occupied their attention since the last half-yearly court. The annexed accounts exhibit the position of the company at the latest moment:—

#### *State of the South Sea Company's affairs on the 5th January, 1855.*

Amount of the company's bond debt	..	..	£4,500	0	0
Interest computed to be due thereon	..	..	562	2	6
Half a year's interest on South Sea Stock..	..	..	64,098	14	6
Arrears of dividends on ditto	..	..	21,403	5	6
Directors' allowance, taxes, &c.	..	..	2,097	16	3
Property tax now due	..	..	2,377	11	11

95,039 10 8

Balance of this account	..	..	..	4,326,756	9	1
Balance brought down	..	£4,326,756	9	1		
Deduct the South Sea Stock held by the company, at £116 13s. 4d.	..	..	1,783,187	11	1	

The surplus, being the present value of the assets to be realised and divided among the proprietors of South Sea Stock, amounting to

£119 3s. per cent.	..	2,543,568	18	0	
Carried forward	..	£4,421,795	19	9	



*The South Sea Company.*

	Brought forward ..	£4,421,795	19	9
Balance of cash .. .. .		3,402	6	7
Due from Government, viz., charges of management to the 5th of July last .. .. .	1,329	2	11	
Balance due on annuities, 1751 ..	503	7	6	
		1,832	10	5
Sundry public securities belonging to the company:—				
South Sea Stock, £1,528,446 9s. 6d. at £116 13s. 4d.				
per cent. .. .. .		£1,783,187	11	1
Exchequer bills at par .. .. .		1,675,600	0	0
Exchequer bonds £500,000 at cost ..		496,193	3	1
Sums of money advanced on loan ..		271,047	19	2
East India bonds at par .. .. .		100,000	0	0
£50 18s. 4d. Three per Cent. Consols ..		47	12	0
Interest due on the following, viz.:—				
On £1,528,446 9s. 6d. South Sea Stock .. .. .		£26,747	16	3
On Exchequer bills, computed to January 5 .. .. .		32,571	16	7
On Exchequer bonds, computed to January 5 .. .. .		2,780	16	5
On Loans, computed to January 5 ..		1,713	7	8
On East India bonds, computed to January 5 .. .. .		1,000	0	0
		64,813	16	11
On £50 18s. 4d. Three per Cent. Consols ..		0	15	3
Rent now due .. .. .		476	12	6
Transfer stamps .. .. .		23	12	9
The company's buildings .. .. .		25,000	0	0
Balance in the hands of the secretary, stamps, &c.		170	0	0
		£4,421,795	19	9

*An account of the clear Revenue and Profits of the South Sea Company for the half-year ending 5th January, 1855.*

(Made out pursuant to Act 6 George II.)

## INCOME.

Half a year's dividend on £1,528,446 9s. 6d.				
South Sea Stock belonging to the company ..	£26,747	16	3	
Interest on Exchequer bills held by the company this half-year .. .. .	30,068	7	9	
Interest on Exchequer bonds this half-year ..	8,750	0	0	
Interest on East India bonds this half-year ..	2,000	0	0	
Interest on £50,000. Three-and-a-Quarter per Cent. Annuities, received 13th October last .. ..	812	10	0	
Interest on £50. 18s. 4d. Three per Cent. Consols, due 5th January .. .. .	0	15	3	
Interest received and accruing on money advanced on loan during this half-year .. .. .	2,916	4	9	
Rent, half a year .. .. .	752	15	0	
Profit by transfers .. .. .	12	15	0	
	£72,061	4	0	
Balance brought down .. .. .	£66,520	4	1	

OUTGOINGS.

Directors' allowances, half a year ..	£750	0	0		
Clerks' salaries, half a year ..	1,015	0	0		
Pensions ditto ..	143	6	8		
House expenses ditto ..	318	4	8		
Contingent charges, ditto ..	685	12	4		
Stationery ware ditto ..	31	5	0		
				£9,943	8 8
Income tax .. ..				2,597	11 3
Balance carried infra .. ..				66,520	4 1
				£72,061	4 0
<hr/>					
By half a year's dividend on 3,662,784 <i>l.</i> 8 <i>s.</i> 6 <i>d.</i>					
South Sea Stock, at 1½ per cent. ..				64,098	14 6
Then remains .. ..				2,421	9 7
				£66,520	4 1

THE HALF-YEARLY MEETINGS.

THE success of joint-stock banking enterprise is being more rapidly developed than might have been expected. Although it was well known that the profits of the principal establishments had largely increased during the last six months, it was scarcely anticipated that they would have permitted such large rateable distributions. With dividends ranging from 14 to 20½ per cent., the extension of operations is made so manifestly apparent that the most sceptical must now be satisfied that the system has not only taken deep root in the metropolis, but that also it is in a most flourishing and satisfactory position. The results of the various meetings, reported *in extenso* under the proper head, exhibit the progress of business, and the statistics presented in the balance sheets. The London and Westminster, on its capital of £1,000,000, pays a dividend at the rate of 16 per cent.; and the London and Joint-Stock Bank even exceeds that amount, by declaring one at the rate of 20½ per cent. The meetings of the London and County and the Royal British Banks have not yet taken place, but there is nevertheless every reason to believe that the amount of profits will allow satisfactory dividends. The Union Bank of London and the Commercial Bank of London not holding half-yearly meetings, have made their usual official announcements—the one declaring a payment at the rate of 15 per cent., the other supporting a favourable position. With trade depressed in Australia, and the apprehension that losses may be incurred through the failures which have taken place, the Union Bank of Australia is enabled to divide at the rate of 30 per cent., and leave, irrespective of its reserve fund, a margin of £66,000 for contingencies. The enormous returns of this establishment, one of the best managed of the colonial banks, show the vast strides of commerce in New South Wales and Port Philip during the last three

years, which, although it is likely to be checked by the re-action now experienced, will not be permanently damaged, when the first effects of ephemeral speculation shall have passed away. The dividend of the Colonial Bank is at the rate of 4 per cent., with an intimation that there may be shortly a slight increase, the course of business in the West Indies having proceeded more smoothly, as far as this bank is concerned, than the directors themselves imagined. In concluding this brief notice of the career of joint-stock banking, it is gratifying to state that, while the material interests of directors and proprietors have so greatly improved, those of the managers and other subordinate officers have not been neglected. Both at the London and Westminster and the London Joint-Stock meetings the question was brought forward, and elicited the warm support of the majority of the shareholders. The expression of opinion in these cases, although it may not immediately produce a direct influence, must eventually have a beneficial effect. The private bankers, while making large profits, have not overlooked the services of their clerks, and several instances are mentioned in which these firms have manifested a liberality deserving of emulation by the whole of the body. Messrs. Jones, Lloyd and Co. have presented £1,000, to be divided among their active staff; and Messrs. Smith, Payne and Smith have increased the salaries of their establishment at the rate of 10 per cent.

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#### MERCANTILE SUSPENSIONS.

We regret to have to present so formidable a list of mercantile failures since our last number. It appears that, although many establishments at the close of the year found themselves in a very unsatisfactory position, it was not until the month of January that the non-completion of their engagements compelled them to suspend. In the subjoined list, there will be found no less than nine metropolitan firms, the majority holding a highly respectable position, who, through connection chiefly with Australia, have been compelled to wind up. The suspension of Swain, Webb and Co., of Huddersfield, was not announced under this head last month, although it was, at the latest moment, mentioned in our monthly chronology. The American stoppages include houses of reputed wealth and position, all of whom have been overwhelmed by the violence of the panic which has now so long prevailed in the United States.

December.—Swain and Webb, Huddersfield and Australia, merchants.

January.—Morewood and Rogers, London, iron merchants.

„ Abbott, Nottingham and Co., London, shawl trade.

„ Kesteven Brothers, London, woollen trade.

„ M. Hetherington and Co., London, American trade.

„ Aubertin Brothers, London, general merchants.

„ Krohn and Co., London, general merchants.

„ Loneragan and Co., London, Spanish and West India Trade.

„ Rogers, Lowrey and Co., London, warehousemen.

„ Home, Eager and Co., London, Cape and Australian trade.

„ Turiff and Sharp, Glasgow, iron trade.

„ Millers and Thompson, Liverpool, ship owners and brokers.

- January.—Spence and Co., Liverpool, iron trade.  
 „ Boyd, Lawson and Co., Glasgow, iron trade.  
 „ Wadsworth and Sheldon, New York, bankers.  
 „ Matthew, New Orleans, provision trade.  
 „ Brander and McKenna, New Orleans, cotton trade.  
 „ Seagrave and Steeve, Providence, merchants.  
 „ Belcher Brothers, St. Louis, sugar refiners,  
 „ W. G. Ray, New York, produce broker.  
 „ Foster and Stephenson, New York, produce brokers.  
 „ Farwell and Co., Boston, merchants.  
 „ Horn and Sergeant, Detroit, bankers.  
 „ Hill and Co., Detroit, bankers.  
 „ G. Lorimer and Co., Detroit, bankers.  
 „ Howard, Smith and Co., Detroit, bankers.  
 „ Capron and Lathrop, Connecticut, bankers.

With regard to Messrs. Swain and Webb, although it is said their liabilities reach £135,000, nothing certain can be ascertained until accounts are received from Australia. In the case of Messrs. Morewood and Rogers, who are to liquidate under inspection, the debts have been represented at £180,000, and the property at £280,000. A portion of the latter, it is mentioned, consists of Australian estates, but what they will really realise remains to be proved. Messrs. Kesteven Brothers fail for £40,000, and will, according to report, pay 7s. in the pound. Messrs. Aubertin Brothers, through their connection with Messrs. Krohn (here again, difficulties through Australian adventures), have stopped for £76,000, and will pay about 8s. in the pound. Little can at present be ascertained with regard to Messrs. Krohn's affairs, the resident partner in London having absented himself to join his brother at Melbourne. Messrs. Lonergan, it is alleged, fail with liabilities equal to £130,000, and the prospects of liquidation are believed to be favourable. So, again, with Messrs. Rogers, Lowrey and Co., whose debts are put down at about £150,000, the Cape and Australian trade having drained their available resources. Messrs. Home, Eager and Co. have suspended for £130,000, and the assets it is stated will furnish a fair dividend. In connection with Messrs. Abbot, Nottingham and Co.'s failure, there is reason to believe that no great deficiency will be found between the stocks and assets, but it is asserted that the partners refused to proceed immediately they discovered there was not 20s. in the pound. Messrs. Millers and Thompson have, like many others, been compromised by the discouraging result of Australian enterprise, and their liabilities amount to £60,000. In their case, the assets will yield a favourable distribution, if they can be realised under advantageous circumstances. The liabilities of Messrs. Spence and Co., and Messrs. Boyd, Lawson and Co., appear to be heavy. While admitting a hope that these favourable prospects may be secured in all instances where they have been alluded to, we cannot, however, neglect reminding our readers that previous experience teaches the futility of placing any strong reliance in such statements.

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## Banking and Commercial Law.

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### ON THE LAW RESPECTING PAYMENT OF CHEQUES, WHERE THE MONEY OF A PRINCIPAL IS LODGED BY AN AGENT WITH BANKERS.

THIS is a subject of some importance to bankers, and is not clearly understood.

The general rule is, that the banker looks only to the customer in respect of the account opened in that customer's name, and whatever cheques that customer chooses to draw the banker is to honour. Therefore, where an agent lodged his principal's money at his banker's in the agent's own name and on his own account, it was held that the bankers were not justified in refusing to pay the agent's cheques on the ground that the money was claimed by the principal. See *Shaw on Cheques*, page 233.

But although such is the general rule, yet the banker may become responsible to the principal, by participating, with knowledge of the fact, in a misappropriation of the principal's money by the agent.

This question was discussed in the case of *Bodenham v. Hoskins*, 21 Law Journal, (Ch.) 864. The following is the condensed note of that case:—

"The plaintiff, being the owner of an estate, employed an agent and receiver, who paid into the defendant's bank the rents of the estate, to an account headed with the name of the estate, to distinguish it from his private account. The receiver's private account being over drawn, he transferred the balance of the estate account to make up the deficiency due upon his private account. Upon a bill filed by the plaintiff against the bankers to refund this balance so transferred, it was held that, according to the principles of a court of equity, a person who deals with another, knowing him to have in his hands, or under his control, moneys belonging to a third person, must not enter into a transaction with him, the effect of which is that a fraud is committed on a third person; and it appearing upon the evidence that the bankers were aware that the money was the produce of the rents of the plaintiff's estate, a decree was made against the bankers for the repayment of the amount." The same case is thus more briefly digested by another reporter. "A receiver of an estate, who had a private account at his banker's, opened another there under the name of the estate, under such circumstances as to inform the bankers that the money which would be paid in to that account would belong to the owner of the estate. The receiver drew a cheque on the estate account, and paid it into his private account. Held, that the bankers were liable to repay the amount to the owner of the estate." See 2 De Gex, M. & G., 903.

This case does not interfere with the general rule. The bankers here both paid and received the cheque; they were thus fixed with the application of the money. Had they merely paid a cheque drawn for some improper purpose, of which they knew nothing, they would have incurred no responsibility. The Court said: "It was the account of the agent, and the bankers

were to look to the agent as the only person entitled to draw on the account." But that was not the question in the cause. After going through the evidence and arguments, the Court said: "I am constrained to arrive at the conclusion that the bankers, although I must exonerate them from any deliberate intention to commit a fraud, still were not only parties to the simple fact of the transfer, but were parties to the fraud in question, in this sense—that they were aware of the circumstances which made it a fraud in Parkes (the agent) to make the transfer to his private account, and being cognizant of that, and having been cognizant of it before the time when the account was opened under the name of 'The Rotterwas Account,' and being cognizant of it throughout, they concur in a transaction, the effect of which is that, for their own pecuniary benefit, an act is done by Parkes which is a fraud upon the plaintiff. Now, according to the plain principles of a court of equity, such an act never can be sustained; a party cannot retain the benefit which he has obtained from being a party to such an act, with such knowledge of the nature of the act."

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## Legal Miscellany.

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IN RE J. W. COLE.

*Court of Bankruptcy, Basinghall Street, Dec. 29th. (Before Mr. Commissioner FONBLANQUE.)*

THE bankrupt, a merchant of Birch-lane, came up on an adjournment to pass his examination.

Mr. Bagley urged that the circumstance of the bankrupt being confined in Newgate had been the cause of the accounts not being ready. Ruined and lost as he was, the bankrupt had every desire to do his duty to his creditors. An adjournment for two months was now asked.

Mr. Murray, for the assignees, thought so long an adjournment out of the question. Much of the property had been made away with already, and, unless the bankrupt should be put under some terms, the whole would be frittered away.

The Commissioner thought it would be useless to hold out a threat which could not be carried into effect, as the powers of the Court might be placed in abeyance in consequence of the sentence of the Criminal Court, and ultimately adjourned the meeting to the 26th of January.

The bankrupt was examined at some length in respect to his transactions with Davidson and Gordon, and others. In the course of the evidence, which contained scarcely a statement of any public interest, the bankrupt said he had shipped goods to the amount of £2,600, to Messrs. Fanshaw and Milligan, of New York, which had only been paid for in bills. An advance of £2,700 was obtained from Messrs. Bourne, Latham and Co., upon these goods and some Westminster bonds. He endeavoured to obtain a larger

advance, but did not succeed. He remembered Davidson and Gordon going away about the 19th of June. A month before he had received some of their acceptances for about £30,000. He had endeavoured to negotiate the paper for them. The bills were afterwards given to his clerk to give to Mr. De Russet, and handed to Mr. Digby as security for De Russet's account.

Mr. Murray.—What! bills for £30,000?

Bankrupt.—Oh, they were not worth £300.

In further examination, the bankrupt said he adhered to his statement, as made at the last meeting, in respect to the payment of £1,200 to Davidson and Gordon. The amount, he believed, was in bank notes.

The meeting was then adjourned. Another adjournment has since taken place for two months.

## Bank Meetings.

### LONDON AND WESTMINSTER BANK.

THE annual general meeting of the London and Westminster Bank Company was held at their establishment in Lothbury, on the 17th of January: Mr. J. L. Ricardo, M.P., chairman of the board of directors, presided. The following report of the financial position of the company was read.—“The directors have the pleasure to report that, after making provision for all bad and doubtful debts, paying the income tax, setting apart 2,000 towards the new buildings in Lothbury and Bloomsbury, and presenting a gratuity of 10 per cent. on their salaries to all the officers of the establishment, the net profits of the bank for the last half-year amount to £75,318 10s., which, added to £13,900 19s. 5d., unappropriated from the profits of the preceding half-year, make a total of £89,219 9s. 5d. Out of this sum the directors have allowed interest on the rest or surplus fund, at the rate of 5 per cent., and they now declare a dividend to the shareholders at the rate of 6 per cent. per annum, and also a bonus of 5 per cent. upon the paid-up capital. After these payments are made, there is a balance of £2,954 2s. 5d. which has been transferred to the rest or surplus fund. The directors who go out by rotation are John Garratt Cattley, Esq., James Denis de Vitre, Esq., and George Hanson, Esq.—all of whom, being eligible, offer themselves for re-election.”

#### DEBTOR.

To proprietors for paid-up capital .. ..	£1,000,000	0	0
Amount due by the bank on deposits, circular notes, &c. .. ..	7,177,244	19	10
Rest or surplus fund .. ..	125,307	1	6
Balance of profit and loss account .. ..	13,900	19	5
Net profits of the past half-year .. ..	75,318	10	0
	<u>£8,391,771</u>	<u>10</u>	<u>9</u>

#### CREDITOR.

By Government stock, Exchequer bills, and India bonds .. ..	1,451,074	13	1
Other securities, including bills discounted, loans to customers, &c. .. ..	6,246,387	4	4
Cash in hand .. ..	694,309	13	4
	<u>£8,391,771</u>	<u>10</u>	<u>9</u>

*Profits and Loss.*

## DEBTOR.

To total expenditure of the six establishments, including rent, taxes, salaries, stationery, &c., with a gratuity of 10 per cent. on their salaries to the officers of the establishment	£25,026	4	2
Amount set apart towards the new buildings in Lothbury and Bloomsbury .. ..	2,000	0	0
Payment of the dividend now declared, at the rate of 6 per cent. per annum, for the last half-year on the paid-up capital of £1,000,000 .. ..	30,000	0	0
Bonus of 5 per cent. on the capital .. ..	50,000	0	0
Rest or surplus fund:—			
Amount on January 1, 1854	£125,307	1	6
Interest on ditto at 5 per cent. .. ..	6,265	7	0
Balance of profit and loss account .. ..	2,954	2	5
			<hr/>
	134,526	10	11
			<hr/>
	£241,552	15	1
			<hr/>

## CREDITOR.

By rest or surplus fund .. ..	£125,307	1	6
By balance of profit and loss account on the 30th of June, 1854 .. ..	13,900	19	5
By gross profits of the last half-year, after paying the income tax, and making provision for all bad and doubtful debts .. ..	102,344	14	2
			<hr/>
	£241,552	15	1
			<hr/>

The Chairman, in moving the adoption of this report, with the annexed balance-sheet, said that, as he now had the pleasure of meeting the same proprietors who attended the last half-yearly meeting in July, he need scarcely refer to the matters that were discussed upon that occasion; but he would only remind them that the directors and proprietors then came to an amicable understanding that no addition should be made to the rest or reserve fund, after the maximum of £150,000 should have been attained, without the special notice of the proprietors having been first invited to such proposed addition, in time for them to express their assent or dissent at a general meeting of the company. (Hear.) The directors, with all deference to the opinions that were then expressed by some of the influential proprietors, had not thought it necessary, on this occasion, to arrive at that maximum of £150,000; and it was therefore unnecessary that he should now ask the proprietors to express an opinion upon the subject. The directors had resolved simply to apply the odd sum of money which would not go to the dividend to be added to the "rest," along with the interest of the "rest" itself; and these additions would leave the "rest" at the amount of £134,526 10s. 11d. The chairman proceeded to say that all banking proprietors, he thought, might now congratulate themselves upon the circumstances of the time. Of late, banking operations, it might be said, had had it nearly all their own



way: and this might be attributed, he believed, in a great measure, to the vast imports of the commodity in which they dealt from Australia and California. The fact was remarkable, that while such large amounts of gold were coming into this country, and the deposits of the Bank increasing considerably, at the same time the value of the commodity itself had been increasing, and the rate of interest for money had been increasing for some years, to which conjunction of circumstances the prosperity of this bank must, in a great measure, be attributed. In the year 1850 the amount of the deposits of this bank was £3,969,000. In the year 1851 the amount was £4,677,298. In the year 1852 the deposits amounted to £5,581,000; the deposits in 1853 were to the sum of £6,259,000; and, in the last year, 1854, the amount of deposits rose to £7,177,244. It was a very good sign of the prosperity of this undertaking that, at the last board meeting, there were announced no less than forty new accounts opened with the bank by depositors. (Applause.) This was a very fair state of things, and it accounted in a great measure for the very large sum of money which the directors were now enabled to divide amongst the proprietors. They proposed to divide £30,000 of the half-year's profits for the usual dividend, and also to divide £50,000 more as a bonus, which made a division of profits altogether at the rate of 16 per cent. per annum for the half-year, or taking it together with the dividend of the preceding half-year, when £40,000 was allotted as a bonus, the profits of the whole year were at the rate of 14 per cent. shared among the proprietors. He would just mention what the profits of the bank had been in successive years, to show their steady and progressive increase. In 1850 the profits were £67,000; in 1851 they were £84,000; in 1852 they were £85,000; in 1853 they were no less than £116,000; and now in 1854 the profits had amounted to £149,219, being within a small fraction of 15 per cent. upon the whole capital of the concern. (Applause.) He (the Chairman) might as well finish his speech there, for as there was no opposition that day, he had not much else to speak of, unless he were to give them an essay upon the currency in general; but he might be allowed to say that, although up to this time every element had been in favour of banking institutions, and he believed they would in future be still in the same good position in comparison with other undertakings, the proprietors ought not to imagine that even they, if the present war continued, would be exempt from the commercial calamities that would come upon this country. Those calamities were only just now beginning to be felt, because at the commencement of a war there was always a sort of fresh impulse given to commerce, by which the imports and exports were rather swelled. But now there were certain signs and tokens perceptible already—signs in the diminution of our exports, which amounted to nearly two millions less, as compared with the same month of last year—signs in the diminution of the tonnage both entering inwards and clearing outwards at our ports—signs in the increased taxation and in the increase of poor rates and other burdens, because it must be recollected that this country had had forty years' peace, and that a population had been created which was dependent on the arts of peace for its subsistence, and that, if we had a war, therefore, putting impediments in the way of people supporting themselves, we might be sure there was not a single interest in the country but would feel the burden that must come pressing upon it. He did not wish to make any gloomy prophecies: he wished and hoped that we might have peace, and so be restored to our former prosperity; but he had made these remarks because there were some people who believed that the adversity of the merchant was the prosperity of the banker, and that it was when money became scarce and business difficult that the banker gained a large profit. Now, the directors of this company were actuated by a very different feeling. They believed that the general prosperity of com-

merce was their own prosperity, and their own adversity was the reverse. They believed that to the greater extent commercial transactions proceeded, so much the oftener would this bank turn over its capital; and their object was not to make a large per centage on that capital, but to turn it over a good many times, and to be able always to employ it with confidence and safety, so as to continue the concern upon the same solid foundation as at present. (Applause.) He hoped that when they next again met the proprietors they would have as good an account as now to render to them; but if their position should not then be so good, that would be only because of the whole country being involved in the difficulties to which he had alluded, and in which this company must also participate.

Mr. Tite seconded the adoption of the report, and did so, he said, with unmixed satisfaction. At former meetings he had, unfortunately, to oppose the views of the directors; and he did think, twelve months ago, that they were in error in believing that the prosperity of this bank depended on the amount of accumulations taken away from the dividends. At that time, having had a very successful year, the directors thought it right to increase the sum of £100,000, for the "rest," *per saltum* to £125,000; and he certainly doubted the policy of such a course. At the following meeting in July last, it was proposed that that sum, large as it was, should be further increased to £150,000; and that sum was agreed to, as the maximum of the reserve, not with any view of increasing the substantiality and respectability of the bank, which were sufficiently established, but as a line of limitation, in order that the dividend might not be liable to fluctuate. Now he (Mr. Tite) found to-day, with very great satisfaction, that the directors, instead of increasing the "rest," had actually diminished it. In this concession to the views of the proprietors, the directors had acted most honourably. It appeared from the statements just now made, that the bank was doing a large business, an increasing, and a useful one. Its operations were extremely successful, and the proceedings of the board, now that the matters lately in discussion were removed, deserved the entire approbation of the proprietors. The satisfactory position of the bank might be illustrated by the fact that the amount deposited with it during the last year had increased by nearly one million of money, and that the increase during the last half-year was £200,000, the amount in July last being £6,900,000. This was good proof that the bank stood upon a foundation which nothing in the world could shake, not even the commercial difficulties the Chairman apprehended. The directors would, of course, go on steadily adding to the "rest." The proprietors ought not, as the chairman justly cautioned them, to reckon upon having 12 per cent. profits next year, and they must not be disappointed, nor blame the directors if they did not get it. He (Mr. Tite) did not wish the price of the shares to be raised violently by unfounded expectations. He would ask one or two questions. It was well known that "the Old Lady on the opposite side of the street" (the Bank of England), had sustained some losses by the failure of parties in America, and he should be glad of an assurance that the London and Westminster Bank had not been affected by that cause to any extraordinary amount.

The Chairman was happy to say that this bank had experienced no loss whatever from the American difficulties, either directly or indirectly.

In reply to another question,

The Chairman stated that it was the practice of the London and Westminster Bank to receive simple deposits, in the same manner as such business was done by Messrs. Gurney, and in other establishments. The motion for passing the report and accounts was then agreed to unanimously, and the three gentlemen named therein, as retiring from the board, were re-elected as directors. A vote of thanks to the whole board was given for their

vigilance and untiring activity; and a vote of thanks to the principal manager, the district managers, and other officers of the several establishments.

It was suggested that the officers and clerks should be specially rewarded by the company in the form of a payment of all their salaries free of income tax, as the proprietors received their dividends free of income tax; but

The Chairman replied that the directors had thought it better to present them all with 10 per cent. upon their salaries; and nobody could tell what his income tax next year would be.

In answer to the question of a proprietor, it was stated that the cost of the new building in Holborn would be £19,000, of which £4,000 was already paid.

A vote of thanks to the chairman ended the proceedings.

### LONDON JOINT-STOCK BANK.

THE half-yearly general meeting of the company of proprietors of this bank was held in the board-room of the bank, in Princes-street, on the 18th of January, Sir John M<sup>t</sup>Taggart, Bart., presiding.

Mr. F. Hewett, the secretary, read the following as the thirty-fifth half-yearly report:—"The accounts, which the directors have now the gratification of submitting to the shareholders, show that the net profit realised by the bank during the six months ending the 31st of December last, together with the sum of £24,695 7s. 3d. carried forward from the 30th of June, amounts to £93,680 2s. 8d., which enables the directors to declare a dividend at the rate of £10 per cent. per annum, and a bonus of £1 1s. 2d. per share, leaving a balance of £180 2s. 8d. to the credit of the guarantee fund, now amounting to £156,032 10s. 11d. The seats in the direction, which become vacant on the present occasion, are those of Mr. Phillip William Flower, Mr. George Holgate Foster, Mr. George Meek, and Mr. George Tayler, all of whom have given notice that they are candidates for re-election. The dividend and bonus, free from income tax, will be payable on and after Friday, the 26th instant."

#### *Liabilities and Assets, Dec. 31, 1854.*

<i>Dr.</i> To capital paid up—viz., 60,000 shares at £10 each .. .. .				600,000	0	0
Amount due by the Bank .. .. .				6,161,154	15	1
Amount of the Guarantee Fund, 30th of June, 1854 .. .. .				£153,549	3	6
Six months' interest on ditto, at £3 percent. per annum .. .. .				32,03	3	9
				156,852	8	3
Undivided profit for the last half-year .. .. .				24,695	7	3
Amount carried to profit and loss account .. .. .				113,425	19	8
				£7,055,128	10	3
<i>Cr.</i> By Exchequer-bills, India Bonds, &c. .. .. .				£729,794	0	8
Bills discounted, loans, and cash .. .. .				6,291,609	9	7
Building, furniture, &c., in Princes-street and St. Mildred's-court .. .. .				£25,100	0	0
Ditto, ditto, ditto in Pall-Mall .. .. .				8,625	0	0
				33,725	0	0
				£7,055,128	10	3

*Profit and Loss Account for the half-year ending Dec. 31, 1854.*

Dr. To current expenses, proportion of building expenses, directors' remuneration, bad debts, income-tax, &c. . . . .	£20,759	11	8
Amount carried to profit and loss, new account, being rebate of interest on bills discounted not yet due . . . . .	23,681	12	7
Amount transferred to the credit of the Guarantee Fund, in addition to the above amount of £155,852 8s. 3d. . . . .	180	2	9
Dividend account for the payment of half a-year's dividend, at the rate of £10 per centum per annum upon £600,000, amount of paid-up capital upon 60,000 shares . . . . .	30,000	0	0
Ditto, for the payment of a bonus of £1 1s. 2d. per share . . . . .	63,500	0	0
	£138,121	6	11
Cr. By balance brought down. . . . .	113,425	19	8
Undivided profit brought forward from the last half-year . . . . .	24,695	7	3
	£138,121	6	11

The adoption of this report, with a resolution, declaring the dividend and bonus as therein described, having been moved, Mr. Borrodale said that he considered this report the most satisfactory they had ever received. This bank was, he believed, one of the most prosperous in London, and every successive report of its affairs had been, perhaps with only one exception, more encouraging and more flattering than the report which preceded it; but the present report was, he said it emphatically, the best report he had ever seen of any joint-stock bank in the kingdom. He (Mr. Borrodale) used to have a hobby at these meetings, of asking the directors to restrict their guarantee fund to £150,000 a year. The directors had now made it exceed that amount; but the impression of the shareholders was, that while the amount of their deposits was still largely increasing, it was not desirable to agitate the question any further; and he was perfectly satisfied to leave it for the present. He would ask, however, since it was notorious that other parties had been losers, to some extent, from certain failures, whether this bank had sustained any considerable loss from the same cause?

The Chairman said that gentlemen, with the balance-sheet before them, must feel satisfied that there could not have been any large losses from such failures during the last half-year, and there had been none since the half-year's account was closed. Indeed, the bank had had fewer bad debts during the last half-year than it had before.

The resolution for approving of the report having been passed unanimously, the four gentlemen named in the report, as directors whose term of office now expired, were severally re-elected.

A vote of thanks to the directors was then passed, and acknowledged by the Chairman, who promised they would continue their labours to promote the shareholders' interest, and said that he trusted the bank would progress as it had done hitherto, and give satisfaction to its customers and the public.

Thanks were then given to the manager, and briefly acknowledged by him.

Mr. SOMERS moved that a bonus of £10 each be presented to all the clerks of the establishment, for, he said, when there was so much prosperity in the hive, the working bees ought to get some of the honey.

Several gentlemen objected, however, to any interference with the discretionary power of the directors, in the internal administration of the bank; and the Chairman stated that it was always their custom on the last board day of every year, to consider all the salaries in their establishment, and to award an increase of salary wherever it was deserved, and where the circumstances required it. The motion was therefore withdrawn.

#### NORTH OF SCOTLAND BANKING COMPANY.

THE meeting of the shareholders of the North of Scotland Banking Company was held in the Banking House, Aberdeen, on the 3rd November, 1854, Mr. F. Edmond in the chair, when the following report was adopted:—

The directors have much pleasure in submitting the following report to the shareholders, as the operations of the bank, for the past year, have been more prosperous than they could well have anticipated. In the report read at the last annual meeting there occurred the following paragraph:—"Besides the large sum of nearly £10,000, as stated above, which will be available from the surplus of profits, towards reducing the deficiency on the capital, that deficiency will be further reduced, by the fortunate issue of some contingencies which the directors could not previously have calculated on. The amount to be realised from this source cannot yet be stated with precision; but it is confidently hoped it will be such as may enable the directors at no distant period, if not next year, to make the gratifying announcement to the shareholders that the fixed capital has been entirely made up." This announcement the directors are now in a position to make. The entire capital of £192,050 (being 76,820 shares, of £2 10s. per share, in the hands of the public), has been made good, while provision is also made for the whole of the bad and doubtful debts. All this has been accomplished, independent of the free business profits of the year, which amount to £27,157 16s. 4d., being £6,572 14s. 10d. greater than the profits of the previous year. In this improved condition of affairs, the directors think they are fully warranted in declaring a dividend, for the last half of the year, at the rate of 8 per cent., and in paying, along with it, a bonus of 2 per cent., both free of income-tax. It will be recollected that the dividend, for the first half of the year, was at the rate of 6 per cent.; so the whole return on the shares, for the year, will be 9 per cent. After deducting these payments from the profits, and upwards of £2,000 towards the reduction of the cost of the banking house property, there will remain a sum of £7,000 to form the nucleus of a new reserved fund, which the directors think it would be prudent to increase from year to year, as circumstances permit. Fluctuations may be looked for in the progress of the bank; and it is not to be expected that those fortunate occurrences will be repeated which have enabled the directors to make good the deficient capital of the bank at a much earlier period than had been contemplated. As the paid-up capital of the bank approaches so nearly to £200,000 (being £192,050), the directors are of opinion that it would be an advantage to bring it up to that even sum, and keep it fixed there, which may be done by giving off, at the market price, as opportunities offer, the 3,180 shares necessary to produce the additional £7,950 of capital. It has been thought that it might be satisfactory to the shareholders to give a statement, annually, of the assets and liabilities of the bank, as well as of the appropriation of the profits, as is done by many of the joint-stock banks in England; and the directors have resolved to adopt that practice. Such a statement is annexed; and, in explanation, the directors only require to mention that the bad and

doubtful debts being otherwise provided for, none of them are introduced among the assets reported in the statement, which are all considered good valid securities, that can be made available. The cost of the banking house property, which will now be reduced to £12,000, should be gradually written off; and the May dividend comes out of the surplus profits.

LIABILITIES.

Paid-up capital of £2 10s. per share, on 76,820 shares .. .. .	£192,050	0	0
Due by the bank on current accounts and deposit receipts .. .. .	1,069,130	16	2
Circulation .. .. .	186,350	0	0
	<hr/>		
	£1,447,530	16	2
Surplus profit, being the actual business profit of last year .. .. .	27,157	16	4
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	£1,474,688	12	6
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ASSETS.

* Investments in Government and other securities, loans on cash credits, and bills discounted, &c., balances with other banks, gold and silver coin, and notes of other banks .. .. .	£1,454,317	5	10
Banking houses at Aberdeen, Banff, Huntly Inverury, Stonehaven, and Aboyne .. .. .	14,609	16	8
Dividend paid last May .. .. .	5,761	10	0
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	£1,474,688	12	6
	<hr/>		

\* The investments in Government and other securities are estimated at the price they stand in the books of the bank, but their present market value exceeds that amount.

Dividends on paid-up capital, viz. :—

For half-year ending 31st March last. at 3 per cent., already paid .. .. .	£5,761	10	0
For half-year ending 30th Sept. last, at 4 per cent. .. .. .	7,682	0	0
Bonus of 2 per cent. .. .. .	3,841	0	0
Banking houses, to further account of prime cost	2,566	9	8
Income-tax for preceding year, in addition to tax paid on investment interests .. .. .	306	16	8
New reserve fund .. .. .	7,000	0	0
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	£27,157	16	4
	<hr/>		
Surplus profit, as above .. .. .	£27,157	16	4
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COLONIAL BANK.

The half-yearly general meeting of proprietors of this bank was held on the 9th of January, at the London Tavern; Mr. C. Marryat in the chair.

The secretary, Mr. Calvert, read the advertisement convening the meeting, and the report, which stated, that the directors begged to lay before the pro-

prietors a statement of the assets and debts of the corporation on the 30th of June, 1854, and the profits for the half-year ending that day. Debts.—Circulation, £191,708 17s. 6d.; deposits and other liabilities, £1,093,300 10s. 2d.; paid up capital, £500,000; fund to meet bad debts, £134,460 12s. 3d.; profit, £19,508 13s. 7d.—total, £1,938,978 13s. 6d. Assets.—Specie, £242,594 12s. 4d.; due to the bank in the colonies on bills discounted and purchased, including those past due, £707,266 1s. 2d.; due to the bank in the colonies on cash credits and current accounts, £118,369 13s. 8d.; due to the bank in London on bills remitted, cash at bankers, &c., £862,050 6s. 3d.; bank premises and furniture, in London and the colonies, £8,698 0s. 1d.—total, £1,938,978 13s. 6d. Notwithstanding the great depression in the prices of West Indian produce, to which the directors had referred in their last report, the managers had conducted the business with so much prudence, that the directors were again enabled to announce a progressive increase of profits. The directors recommended a dividend of 2 per cent. for the half-year, free of income tax. That would require £10,000, leaving a balance of £9,508 13s. 7d., to be added to the fund to meet bad debts, which would then amount to £143,969 5s. 10d.

The Chairman, in moving the adoption of the report, said that at the last meeting he had stated it would be necessary to prepare for serious losses from the great depression in West India produce; but, owing to the precautions taken, he was glad to say no such losses had been sustained, but on the contrary a better return had been insured. All the branches were in good working order, but he regretted that they were about to lose the service of their superintendent: that gentleman had returned to London, and he hoped they would obtain his assistance in another capacity. Their manager at Trinidad was also about to leave, having obtained a better appointment.

Mr. Pagliano considered that the profits would admit of a larger dividend. The original proprietors had not received any for some years. He would also wish that the bad debts should appear as a separate item in the accounts.

The Chairman replied that the directors were most anxious to increase the dividend, but they did not think the time was yet come; the other suggestion would receive consideration. The report was then adopted, and, on the motion of the chairman a dividend of 2 per cent. for the half-year, free of income tax, was declared.

The outgoing directors, Messrs. George Hankey, Charles Marryat, and John Gurney Hoare, and the retiring auditor, Mr. William Ellice, were re-elected. The Chairman moved that Mr. John Bloxam Ellice be elected a director, in the room of Mr. James Cavan, resigned; that Mr. Thomas Henry Milner, the company's late superintendent, be elected a director, in the room of Mr. Charles Cane, resigned; and that Mr. Alexander M'Gregor be elected an auditor, in the room of Mr. Ellice. These gentlemen were unanimously elected. Thanks were voted to the chairman, and the meeting separated.

#### KNARESBOROUGH AND CLARO BANKING COMPANY.

THE annual general meeting of the shareholders in the Knaresborough and Claro Banking Company was held at Knaresborough, on Wednesday, the 8th November.

Out of the profits of the year, ending 12th October last, the directors declared a dividend of 9 per cent., free of income tax; and, there being no bad debts, the balance, amounting to £2,235, was carried to the credit of the reserve fund.

## UNION BANK OF AUSTRALIA.

THE half-yearly meeting of the proprietors of this bank was held on the 23rd of January, at 38, Old Broad-street, City, to receive the report of the directors. Mr. Robert Carter occupied the chair.

The report was read by Mr. H. W. D. Saunders, the secretary. The directors referred therein with much satisfaction to the general progress of the bank's business since the annual meeting in July last. The profits of the half-year (of which an account was now presented) had exceeded those of the previous six months. The directors had deemed it prudent, however, not only to provide, as heretofore, for every item reported "bad" or "doubtful" in the bank's business, but also to make a much larger deduction than usual, as a safeguard against future contingencies. This had been a year of commercial embarrassments in some branches of Australian trade, evidently caused by excessive shipments of goods from this and other countries, and in a very great degree shipments by persons not heretofore engaged in the trade, by which the colonial markets had become overstocked; but the directors did not perceive any indications of a diminution of the productiveness of the gold fields. Indeed, the new discoveries reported to have been made in Victoria, and the additional labour devoted to the search for gold, would rather justify the expectation of further increase. Under these circumstances, the directors considered the depression of trade to be temporary in its nature; and they had much satisfaction in bearing testimony to the prudence which during a period of great excitement had characterised the operations of the old and respectable customers of the bank. The profits of the past half-year, ending at the branches in Australia upon the 30th of June, and at the London office upon the 31st December, were £123,049, which, when added to the balance left from last half-year, after paying the interest or dividends at midsummer, left an available balance at this time of £138,885. The directors now proposed, however, that the sum of about £123,000 should be appropriated to the purpose of dividend or interest upon the paid up capital, for the last half-year, being at the rate of 15 per cent. for the half-year, equal to 30 per cent. per annum on the amount of their capital, to be declared payable in London, free of income tax, on the 13th February, and the remaining balance should go to augment the fund set aside for bad debts or any other contingencies.

*Statement of Liabilities and Assets at the Branches on the 30th June, 1854, and at the London Office on the 31st December, 1854.*

LIABILITIES.				
Circulation..	..	..	..	£624,276 10 0
Deposits ..	..	..	..	3,857,612 13 10
Bills payable and other liabilities	..	..	..	394,084 15 7
Balance of undivided profits	..	..	..	138,885 19 11
Reserve Fund (invested as per contra)	..	..	..	£200,000
Paid-up capital	..	..	..	820,000
				<hr/>
				1,020,000 0 0
				<hr/>
				£6,034,859 19 4
				<hr/>

## STATEMENT OF PROFITS.

Balance of undivided profits at June, 1854	...	£147,036 11 3
To which are now to be added the profits of the past half-year, ending at the branches 30th June, and at the London office 31st December, 1854	.. .. .	123,049 8 8
		<hr/>
		£270,085 19 11



Deduct amount of interest paid at Midsummer, 1854 .. .. .	131,200 0 0
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Balance of undivided profit at this date ..	<u>£138,885 19 11</u>
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## ASSETS.

Specie on hand, and cash balances .. .. .	£1,943,273 16 2	
Bullion .. .. .	44,638 13 6	
	<u>1,987,912 9 8</u>	
Bank premises and other property .. ..	37,277 3 3	
Bills receivable, government stock, and other securities .. .. .	3,809,670 6 5	
Investment of reserve fund— Reduced 3 per cents. (late 3½).. .. .	200,000 0 0	
	<u>£6,034,859 19 4</u>	

## RESERVE FUND.

As reported at June, 1854 .. .. .	<u>£200,000 0 0</u>
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The Chairman said, that although the report and the accounts did not require much observation, he might congratulate the company upon the state of its affairs. This bank, indeed, held a very high position in the colonies, and had almost been enabled to pick and choose the accounts it would open at the different branches. The report stated truly, that the excitement which had been introduced into the Australian trade, during the last year or two, had not affected this bank to any appreciable degree; and the old and respectable customers of this bank, most of whom, he believed, had been increasing their wealth during that time, were not very likely to lose it by any future revolutions in business that might take place. Nevertheless, it must be obvious that transactions so extensive as those of this company could not be carried on without being liable to some contingencies; and therefore, continuing the course they had always taken, the directors, upon this occasion, before they announced the sum of £123,000 as the profits of the last half-year, deducted a certain sum, and a much larger sum than usual, to form the fund set aside for contingencies, which fund, they were satisfied, would be more than sufficient to answer any claims that were likely to be brought against them, and provide for any losses, direct or indirect, to which they might be subjected. To show that the directors had generally exercised the same prudent forethought in this respect, he would state that, at this time last year, they thought it sufficient to keep apart the sum of £19,000 for such contingencies, and that all the claims which had been written off as bad or doubtful amounted, against that account, to only £12,000, leaving upwards of £7,000 to the credit of that fund; and the addition now made to it, by the sum deducted from the last half-year's profits, before the present dividend was estimated, placed no less than £60,000 in the hands of the directors, to meet any losses which the bank might incur.

Mr. Joseph Brown asked for some further explanation, from which it appeared that, in addition to the £60,000 of which the chairman spoke, there was a balance of £16,000 left after paying the Midsummer dividend; the payment of that dividend, at £4 per share, having consumed £131,200 out of the profits of the half-year ending in June last, which were £147,036; so that the directors now had really a fund of £66,000 in hand, to meet any bad debts or other casualties.

Mr. Cummings, one of the directors, said that the directors would, if possible, make it a principle in future dealing with their half-yearly profits, to declare the dividends without trenching upon the limit of £50,000 set apart for contingencies; he had stated on a former occasion that such would be their course.

The Chairman said a little more upon some particulars in the last half-year's account. There was the item of £7,000 for additional buildings and enlargement of premises. That was rendered necessary by the extension of their business; but he was assured that those premises might be sold for considerably more than they had cost, and if they had now to be built for the use of this bank, they would cost double that sum.

A proprietor suggested that the buildings occupied by the branch establishments in Australia ought to be, without any extravagance, at least as attractive as those of rival banks in the colony, which were now fitted up in a splendid style.

The Chairman answered, that he believed the premises occupied by this bank in Australia were substantial and respectable buildings. He mentioned one fact of a very favourable character. Some years ago the bank had a rather heavy bad debt, and they were obliged to take certain property as the only security they could get for it, and try to recover the debt by the income from that property; but since that time the whole of that debt had been paid off with interest, and the property itself now remained in the hands of the bank unrealised, and was valued by different parties variously at from £15,000 to £30,000, which would come in some day or other to meet any demands on the bank or to augment the dividends.

After some other conversation, a resolution was passed declaring the half-year's dividend at the rate of £3 15s. per share; and another resolution having been agreed to, electing Mr. William Fletcher, late colonial inspector of this bank (but now residing in England), to be a director in the place of Mr. Benjamin Lindo, deceased, the proceedings ended with the usual vote of thanks to the Chairman and the Board.

## Communications.

*To the Editor of the Bankers' Magazine.*

### PRODUCTION OF PROBATE.

SIR,—Will you kindly inform me, in your next number, whether a banker is borne out by the law in demanding probate of a will, before paying the cheques of the executors of a deceased depositor?

I am, sir, your obedient servant,

January 18th, 1855.

A COUNTRY BANKER.

[This subject has been discussed at page 49 of vol. xiv. of *The Banker's Magazine*. The point is not settled, but we think it would be decided that a banker can demand to see the probate. In cases of any amount, or where any suspicion is entertained, we think he ought to do so. The risk of having to pay a small sum for costs is all the banker need fear if the point were decided against him. We believe it is the practice of bankers to require the production of the probate, and that the executors seldom object to such a reasonable requisition.]

## TITHE COMMUTATION AVERAGES.

SIR,—As your readers may feel anxious to know the result of the corn averages for the seven years to Christmas last, published in the *London Gazette* of the 5th inst., viz.:—

Wheat .. .. .	6s. 0 $\frac{3}{4}$ d. per imperial bushel.
Barley .. .. .	3s. 7 $\frac{3}{4}$ d. ditto
Oats .. .. .	2s. 6d. ditto

I beg to state, for their information, that each £100 of tithe rentcharge will, for the year 1855, amount to £89 15s. 8 $\frac{1}{2}$ d., which is a reduction of £1 3s. 8 $\frac{1}{2}$ d. from last year's value.

The following statement from my "Annual Tithe Commutation Tables" will show the worth of £100 of tithe rentcharge for each year since the passing of the Tithe Commutation Act—viz.:—

For the year 1837 .. .. .	£98 13 9 $\frac{1}{2}$
" 1838 .. .. .	97 7 11
" 1839 .. .. .	95 7 9
" 1840 .. .. .	98 15 9 $\frac{1}{2}$
" 1841 .. .. .	102 12 5 $\frac{1}{2}$
" 1842 .. .. .	105 8 2 $\frac{1}{2}$
" 1843 .. .. .	105 12 2 $\frac{1}{2}$
" 1844 .. .. .	104 3 5 $\frac{1}{2}$
" 1845 .. .. .	103 17 11 $\frac{1}{2}$
" 1846 .. .. .	102 17 8 $\frac{1}{2}$
" 1847 .. .. .	99 18 10 $\frac{1}{2}$
" 1848 .. .. .	102 1 0
" 1849 .. .. .	100 3 7 $\frac{1}{2}$
" 1850 .. .. .	98 16 10
" 1851 .. .. .	96 11 4 $\frac{1}{2}$
" 1852 .. .. .	93 16 11 $\frac{1}{2}$
" 1853 .. .. .	91 13 5 $\frac{1}{2}$
" 1854 .. .. .	90 19 5
" 1855 .. .. .	89 15 8 $\frac{1}{2}$
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	19)1,878 14 6 $\frac{1}{2}$

General average for 19 years.. .. .	£98 17 7 $\frac{1}{2}$
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I am, sir, your most obedient servant,

CHARLES M. WILlich,  
Actuary University Life-office.

25, Suffolk-street, Pall-mall, Jan. 8.

## THE TRANSMISSION OF CHEQUES AND BANK NOTES.

SIR,—Pray draw the attention of bankers to the inconsiderate practice of transmitting cheques and bank notes to each other, enclosed merely in envelopes, with printed directions and particulars on the inside, which, in almost every instance, are legible from the out.

It is notorious that post-office clerks are underpaid, and circumstances might induce a departure from honesty when these frequent temptations are before them.

PRECAUTION.

Durham, January 13th, 1855.

## BANKER'S DUTY ON PRESENTMENT OF FORGED NOTES.

SIR,—In consequence of the recent discovery of a forgery of the notes of the York Bank, many speculations have been current in this district as to the duty of a banker when any such spurious notes are presented to him; and I address myself to you on the subject, in the hope that in the next number of your Journal you will kindly give your opinion regarding it.

When a forged note is presented by an entire stranger, is a banker justified and legally entitled to retain it, even without the consent of the party presenting it, and immediately to intimate his having done so to the bank whose issue it purports to be? When such a note is presented by a regular and respectable customer, should a banker be satisfied with declining to cash it, and hand it back to the customer, or, in this case also, would you advise him to keep possession of the note, and intimate as above?

I am, sir, your very obedient servant,

Yorkshire, 20th January, 1855.

INQUIRER.

[We think the banker is justified in detaining a forged note by whomsoever presented. It would be prudent to have a written request from the banker whose name is forged to detain the note, and it would also be advisable to take some steps (if circumstances admit of any being taken) to ascertain that the notes presented are really forgeries.]

LETTER OF CREDIT FOR CHEQUES AFTERWARDS  
DISHONOURD.

SIR,—We are frequently applied to by commercial travellers to furnish them with post-bills or letters of credit in favour of their principals resident in distant towns; the consideration, therefore, being generally composed either solely or chiefly of cheques received by the travellers from their customers.

I annex a copy of the post-bill used by us, which you will see is payable ——— days after date. Supposing that any of these cheques are dishonoured before our bill arrives at maturity, can we revoke the latter or refuse to cash it, and what steps ought we to take to protect ourselves?

Yours obediently,

18th January, 1855.

D. N. C.

X Banking Company Post Bill,

X 1st January, 1855.

——— Days after date, pay to the order of John Smith, one hundred pounds, value received.

For the X Banking Company,  
D. N. C., Manager.

To the ——— Bank, London.

[If John Smith has indorsed the letter of credit to third parties, the bank must pay it. If not indorsed, the bank can stop the amount of any of the dishonoured cheques. If the bank should be compelled to pay the whole of the letter of credit after some of the cheques have been dishonoured, it must look to the parties to the cheques, and to John Smith for the amount of such dishonoured cheques. The safe way for the bank to act is, not to grant the letter of credit until the cheques are cashed.]

## AS TO THE STAMPING OF CHEQUES.

SIR,—“A Subscriber,” in illustration of his previous remarks, argues, in your last, that because (par example) a Liverpool merchant carries home with him unstamped cheques received in Manchester (drawn on a banker

there), and sends his clerk thither next day to "collect" them, he (the merchant) is entitled, if he chooses, to have those cheques negotiated by his banker in Liverpool without being stamped.

The words in section 7 of the Stamp Act, to which a penalty of £50 is referable, are "or in any manner NEGOTIATE or circulate" an unstamped cheque at a distance beyond fifteen miles from the bank on which the cheque is drawn.

By offering an unstamped cheque to a banker at a place beyond fifteen miles, "A Subscriber" will surely admit that he designs then to circulate the cheque, and that when the banker receives it from him, it is for the purpose of negotiation and payment. A cheque is held to be in circulation until it is finally paid by the banker on whom it is drawn, or until it is cancelled.

It would seem to be necessary that I should explain to your "Subscriber" when and for what purpose I question my customers, with respect to distant cheques which they may present to me, in order to assure him that I do nothing unusual, or exhibit undue interference with others' affairs. My questions are confined solely to those who bring unstamped cheques to my office, and are put for the purpose of ascertaining who is the proper party to affix the requisite stamp; if I find that the holder of the cheque is the party actually seeking to circulate it beyond the prescribed limit—that is to say, if he has obtained it within the fifteen miles, and brought it across the line; then, in terms of section 8 of the act, I cause him to affix an adhesive stamp and cancel it. But if I ascertain from him that he received it by post, or from any one at a place distant beyond the fifteen miles, I require him to get the person who so sent or who so delivered it to him, to affix and cancel the stamp, otherwise I decline to negotiate it. This I hold to be the interpretation of the Act.

Further, if a banker resident beyond fifteen miles from my office, were to send me "for collection" one of my own customer's cheques unstamped (a very unlikely circumstance, however), I would return it to be stamped by the person on whom the onus to do so legally rested.

I am, sir, your obedient servant,

Northumberland, 19th January, 1855.

OLD STAGER.

#### DEPOSIT RECEIPTS.

SIR,—Will you have the goodness to inform me if a banker is by law permitted to allow his shop receipts to be circulated as cheques?

Yours obliged,

18th December, 1854.

YOUNG STAGER.

[We presume deposit receipts are meant in this question, and they are certainly not allowed by law to be circulated.]

### *Notes of the Month.*

**CURIOSITIES OF MONEY MAKING.**—One bank, it is said, entirely disregards the advantage of uncut or natural edges, and has its paper prepared in large sheets, with many notes on a sheet, neither have the notes any counterpart. Another bank pays excessive regard to counterparts, every note being a separate sheet, with counterfoils at each end. The documents issued by another large foreign establishment have three counterparts; but as, to save trouble to the officials, the documents are severed from all the counterparts before they leave the printer, the security from

this source is rather questionable. In some of the South American States, so great is the issue of paper money, that the government note is worth less than one-tenth of its theoretical value. It would appear that, as the cash value of these paper-moneys decreases, the issue is extended; and so it will go on until the cost of paper and the printing will equal the sum which can be obtained for the finished document, and then a general repudiation of all old notes, and a re-issue, will be the only course left. Instances could be given of an improved style of document tending to raise the shares of the company adopting the improvement. A few words in an act of Parliament sometimes causes great changes. After expending a large sum in erecting the beautiful and ingenious machinery devised by the late Mr. Cowper for printing one-pound notes, and working off some millions, the whole was rendered nugatory by the legislature decreeing the non-issue of the notes. Not very long since, a shopkeeper advertised a £5 note and a dress for a few shillings. The bankers issuing the note had failed, and, there being no assets, their paper suddenly decreased in value from pounds to pence. A correspondent of one of the daily papers informed us, two or three years ago, that the revolutionary party in Italy issued paper money redeemable in happier times, and that the paper so issued was more readily accepted by the peasantry than the paper of the Italian governments. Pitt found that money is one of the most important sinews of war: Kosuth the same—and we are informed that he carried with him his bank-note apparatus until the last moment. While on this subject, a practice may be mentioned which now strikes one as very curious, but which old colonists of New South Wales will recollect was adopted by the government to retain dollars in the colony, viz., to stamp a piece out of the centre, thus rendering the coin useless in any other country. The central portion was tender for a quarter-dollar, or 1s. 1d.; and the ring pieces, called ring dollars, were valued at 3s. 3d., the whole dollar being worth 4s. 4d. What a change a few years have brought about in this respect!

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**GERMAN PAPER MONEY.**—The following classes and amounts of paper money are immediately affected by the recent act for limiting the circulation of paper currency in Prussia: Kingdom of Saxony, state paper 5,200,000 rixd.; notes of the Leipsic-Dresden Railway, 500,000 rixd.; notes of the Bauzen Bank, 500,000 rixd.; notes of the Chemnitz Bank, 300,000 rixd.; Kingdom of Hanover, paper money of the City of Hanover, 200,000 rixd.; Electoral Hesse, state paper money, 2 millions of rixd.; notes of the Cassel Commercial Bank, 200,000 rixd.; Saxe Weimar, state paper money, 600,000 rixd.; Brunswick, notes of the Discount Bank, 300,000 rixd.; Saxe Coburg Gotha, state paper, 600,000 rixd.; Saxe Meiningen, state paper, 600,000 rixd.; Saxe Altenburg, ditto, 500,000 rixd.; Anhalt, ditto, 1,800,000 rixd.; notes of the Dessau Bank, 1,500,000 rixl.; notes of the Bernburg Kœthener Railway, 700,000 rixd.; Schwarzburg Rudolstadt, state paper, 200,000 rixd.; Reuss, ditto, 300,000 rixd. This measure, however, does not affect the notes of the Leipsic, Brunswick, and Weimar Banks, which amount to more than 10 millions of rix dollars.

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**FORGED BANK NOTES.**—Some forged bank notes, executed with unusual skill, have lately been presented at the Bank of England, having reached this country among remittances from Marseilles. They consist of £5's, £10's, and £20's, and the total amount from various sources brought to the Bank thus far is about £200. Those of £5 each are dated Feb. 2, 1854, signed "J. Ferraby;" those of £10, London, July 5, 1854, signed "J. Ferraby;" and those of £20, Manchester, Jan. 22, 1853, signed "J. Williams." Most probably they have been manufactured entirely on the continent, with the view of being negotiated among the various money changers, and have not yet, in any instance, been passed in this country; but, as the criminals have gone to great expense in having paper manufactured with the proper watermarks for each denomination of note, they have doubtless reckoned on an extensive circulation of them, and the public should therefore be upon their guard. Although, on the whole, these forgeries are remarkably complete, they can be detected by an examination of their numbers, the several figures of which these are composed being of very inferior execution.

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**A NEW YORK DEFAULTER SQUARING UP.**—The *New York Evening Post* narrates a singular circumstance. A cashier of a bank not a hundred miles from Wall-street, found his funds 200,000 dollars short, at a time when his accounts were about to be examined. He consulted an attorney friend, who discovered that he had no property available to convert into cash to cover the deficit, and advised him to take 200,000 dollars more; then, when the discovery took place, he would have something to negotiate with the directors, and induce them to refrain from a public exposé. The cashier took the advice—and the money. The discovery occurred; he compromised with them for 100,000 dollars, and neither the stockholders nor the public knew anything about the matter. Resigning his situation, he lived, respected by all, on the rest of the money.

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**DISCOVERY OF SILVER.**—Intelligence has been received from Copiapo, by the steamer Magdalena, of an extraordinary discovery alleged to have made in the neighbourhood of a place called Chanocillo, one of the rich silver districts in that part of Chili. Some poor wood-cutters, it is said, were engaged in cutting and collecting wood on the hills, when the axe of one of them struck something hard, and, as the substance had a softer sound than a stone, he cleared away the rubbish to ascertain what it was, and found a vein of nearly solid silver. Along with his companions, he continued the examination, and ascertained that there were four veins, all distinct and large. The consequence was, that the city was almost deserted, several thousand miners, rich and poor, having congregated upon the spot; and, as these had already remained several days, no doubt was felt that the value of the discovery had been confirmed.

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**AUSTRALIAN MAIL SERVICE.**—Upon the plea that a number of ships taken from them by the Government renders it necessary to recall the comparatively unimportant ones used as the link between Singapore and Sydney, the Peninsular and Oriental Company have been allowed to discontinue a service which, although only performed every alternate month, constituted the last remaining means of rapid communication upon which the merchants and manufacturers on this side and the importers in the colony could absolutely rely. The trade to and from Australia amounts annually to nearly £30,000,000 sterling, and, by the contemplated step, this is to be thrown into suspense, and, as regards individual interests, constantly into jeopardy, for the sake of calling into other uses a couple of moderate-sized and not particularly fast steamers. That every sacrifice required by the war should be cheerfully borne, is admitted on all sides, but it is only by the prosperity of our commerce that the necessary burdens can be met, while it must also be seen that the present is the wrong moment to cut off the means of quick intelligence from the only seas still liable to be visited by Russian cruisers, or to disregard the feelings of the colonists, already annoyed at the dilatoriness and mismanagement which have thus far characterized the history of their postal relations. It is correctly urged that the Peninsular and Oriental Company cannot be reproached for seeking to escape from a portion of their contract which has always been unprofitable to them; but, from the limited extent of the service, the money part of the question was so wholly insignificant compared with the interests involved, that there could have been little need for hesitation in bringing the allowance to a remunerative point, if they could fairly show themselves entitled to such consideration. As it is, the Government have deprived the mercantile community of the results of the bounty system in this case, at the only moment, perhaps, when all persons would agree that benefit was to be derived from it.

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**THE WINDING-UP ACT AND THE ROYAL BANK OF AUSTRALIA.**—The Royal Bank of Australia has been for some time, under the Joint-stock Companies Winding-up Act, in the hands of an official manager, in the Court of Chancery. Much severe pressure has been felt by some of the shareholders, in consequence of the disproportionately large amount of the funds levied from certain of the "contributories." In

a case where a party had been absent for many years in Australia, and had just returned to this country, a contribution of no less than £10,000 was demanded from him under the Joint-stock Companies Winding-up Act. The suddenness and magnitude of the demand forced the unfortunate shareholder into bankruptcy. Mr. Denton, from the office of Messrs. Freshfield, solicitors to the Bank of England, stated, in substance, the above circumstances, and then applied that he might be allowed by the Commissioner to inspect the "proceedings" under the petition against this individual. He trusted the peculiar hardship of the case would induce the Court to accede to this application, notwithstanding the "rules and orders in bankruptcy, 1852." Mr. Commissioner Fane, without adverting to the particular case, was of opinion that the application ought to be acceded to. He disapproved entirely of many of those rules and orders, which were, in many instances, opposed to his views, and which had not received his signature. Mr. Denton's object, of course, was to annul the adjudication.

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## *Monetary Intelligence.*

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### REVIEW OF THE MONEY MARKET FOR THE MONTH OF JANUARY, 1855.

ALTHOUGH it was expected that the new year would open with more satisfactory prospects for business, they have not yet been realised, and it really seems doubtful whether, in the existing position of affairs, any immediate amendment will take place. The unfavourable accounts with regard to the state of the troops in the Crimea, the recurrence of mercantile suspensions, and the dissensions in the Ministry, have all, more or less, created an unsettled feeling; and some little time will have to elapse before the confidence necessary to restore the order of things can be established. The course of trade, discouraging as it has been in connection with Australia and America, has also had to encounter the baneful influence of the war, which is experienced in all channels; and the general complaint of comparative stagnation, re-echoed in every quarter, unfortunately certifies to the severity of the change. The resignation of Lord John Russell is the last public event which has contributed to augment the prevailing unhealthy excitement; and the fate of the Cabinet now having been sealed by the vote of the House of Commons, the future is pregnant with probabilities that few would have the courage to attempt to divine. There has been less stringency in the actual condition of the money market than there was reason to anticipate. The free current of accommodation has occasionally been checked, through the alarm aroused by the successive failure of old and respectable establishments; but no total withdrawal of assistance has been announced, such as has frequently occurred in the phases of former panics. The payments of the deposit on the French loan, the final instalment due on the last-issued million of Turkish, and the large calls on the East India, Madras, and Great Indian Peninsular Railway Company, have caused the demand to be more than ordinarily extensive; but there has, nevertheless, been no absolute pressure which has warranted the rate on first-class paper being carried above 5 and 5½ per cent. The successful negotiation of the French loan, and the immediate release of the 10 per cent. required on English subscriptions, have naturally had a favourable influence, and greater easiness is now apparent; but it is, nevertheless, quite certain that, for the moment, any material reduction in the terms for discount cannot be looked for. In Lombard Street, the latest quotation is 5 per cent., and the allowance for deposits ranges from 4½ to 4¾ per cent.



The English Stock market has suffered some fluctuation, but prices have recovered in a degree from the latest depression occasioned by the debates in Parliament, and the secession of the President of the Council from the Government. Consols from  $91\frac{1}{4}$  to  $\frac{1}{2}$  went up to  $92\frac{1}{4}$ , subsequently dropped to  $90\frac{1}{4}$ , and are, at the latest instant,  $91\frac{1}{4}$  to  $\frac{1}{4}$ .

In foreign securities and railway shares there has been about an equal extent of variation. Russian is firmer, the presumed prospect of a peace having caused purchasers; so that the 5 per cents. have again reached par. Spanish has been heavy, at a decline, the unsettled state of the country causing fears of a general insurrection. The traffic on our principal railways continues favourable for the season of the year; and until the dividends shall have been finally declared it is not likely that heavy sales will be pressed.

The dividends on joint-stock bank shares being highly encouraging, the respective quotations have been well supported.

The produce markets have been quiet, with a limited amount of business: but prices, considering the prevalence of commercial embarrassment, have hitherto exhibited firmness.

	Price on December 28	Highest.	Lowest.	Price on January 27.
<b>ENGLISH FUNDS.</b>				
Consols .. .. .	$91\frac{1}{4}$ to $\frac{1}{2}$ ex div.	$92\frac{1}{4}$	$90\frac{1}{4}$	$91\frac{1}{4}$ to $\frac{3}{4}$
Exchequer bills' average ..	5s. to 7s. pm.	7s. pm.	4s. pm.	4s. to 7s. p.m.
<b>FOREIGN STOCKS.</b>				
Brazilian .. .. .	—	100	$98\frac{1}{2}$	100
Buenos Ayres .. .. .	—	53	51	52
Chilian .. .. .	—	101	101	102
Dutch .. .. .	$61\frac{1}{4}$	$62\frac{1}{4}$	$60\frac{1}{2}$	$62\frac{1}{4}$
Mexican .. .. .	$20\frac{3}{4}$	$21\frac{1}{2}$	$20\frac{1}{2}$	$21\frac{1}{4}$
Peruvian, $4\frac{1}{2}$ per cent. ..	—	$71\frac{1}{4}$	$69\frac{1}{4}$	70
Portuguese, 4 per cent. ..	—	$42\frac{1}{2}$	$41\frac{1}{4}$	42
Russian .. .. .	—	102	97	100
Spanish .. .. .	$38\frac{1}{2}$	38	36	$36\frac{3}{4}$
<b>RAILWAY SHARES.</b>				
Brighton .. .. .	$106\frac{7}{8}$	108	106	107
Caledonian .. .. .	$60\frac{1}{2}$	63	60	$62\frac{1}{4}$
Eastern Counties .. .. .	$11\frac{1}{2}$	$11\frac{1}{4}$	$10\frac{3}{4}$	$11\frac{1}{4}$
Great Northern .. .. .	$90\frac{3}{4}$	$92\frac{1}{2}$	$89\frac{1}{2}$	90
Great Western .. .. .	$69\frac{1}{8}$	70	66	$67\frac{1}{2}$
Lancashire and Yorkshire ..	$73\frac{1}{2}$	$76\frac{1}{2}$	73	$75\frac{1}{2}$
London and North Western..	$100\frac{5}{8}$	$102\frac{1}{2}$	$100\frac{3}{8}$	$101\frac{1}{4}$
Midland .. .. .	69	$70\frac{1}{2}$	68	70
North Staffordshire .. .. .	13	$13\frac{1}{4}$	$12\frac{1}{2}$	$13\frac{1}{4}$
South Eastern .. .. .	59	$60\frac{1}{4}$	$58\frac{1}{4}$	$59\frac{1}{4}$
South Western .. .. .	$83\frac{1}{2}$	85	$83\frac{1}{2}$	$84\frac{3}{4}$
York, Newcastle and Berwick ..	$74\frac{1}{2}$	$77\frac{1}{2}$	74	$75\frac{3}{4}$
York and North Midland ..	$52\frac{3}{4}$	$54\frac{1}{2}$	$52\frac{1}{4}$	54
East Indian .. .. .	21	$21\frac{1}{2}$	$20\frac{1}{2}$	$21\frac{1}{4}$
Northern of France .. .. .	34	$35\frac{1}{2}$	$33\frac{1}{2}$	$34\frac{1}{4}$

THE GRAIN TRADE.

THE state of the weather has been favourable for general agricultural operations. The late frosts have cleared the ground, and brought it into a very satisfactory condition. From all quarters the accounts of the crops are encouraging, and the progress made is universally admitted to afford promise of good crops. In the meanwhile, prices in Mark Lane are principally affected by the supply. The reports of an arrangement of a peace, when they were first announced, caused a decline of from 4s. to 6s. per quarter; but a recovery has since occurred, though not to the extent of that depreciation. The stocks of wheat are considered to be short; and, as the arrivals of foreign have not been abundant, quotations on the average have been well maintained. An opinion is current that, unless the Emperor of Russia should despair the consequences of the Austrian alliance, and suddenly seek to come to amicable terms with the Western Powers, no material fall is likely for the present to take place.

THE *Gazette* returns for England and Wales have been—

Week ended		Wheat. Qrs. sold.		Weekly Average.		Six Weeks' Average.		Duty.		Corresponding Six Weeks Last Year.		
1854.											s.	d.
Dec.	23.....	118,798	..	72	4	..	73	1	0	..	71	8
"	30.....	111,968	..	73	9	..	73	4	0	..	71	9
1855.												
Jan.	6.....	90,641	..	74	3	..	73	4	0	..	72	5
"	13.....	99,928	..	73	9	..	73	3	0	..	73	5
"	20.....	77,711	..	72	2	..	73	1	0	..	75	2

The importations since the harvest of 1854 have been—

	Wheat. Qrs.	Other grain. Qrs.	Total. Qrs.
Twenty-one weeks ended 13th Dec...	543,016	965,884	1,508,900
Five weeks ended 17th Jan. ....	166,170	201,885	368,055
	709,186	1,167,769	1,876,955
And the weekly averages have been—			
Twenty-one weeks ended 13th Dec...	25,000	46,000	71,000
Five weeks ended 17th Jan. ....	33,000	40,000	73,000
	More 8,000	Less 6,000	More 2,000

EAST INDIA REMITTANCES.

AMOUNT OF BILLS DRAWN FOR.

From the 26th December to the 8th January	Bengal ..	£412,268	12	8
	Madras ..	51,396	9	10
	Bombay ..	1,061	5	0
From the 9th January to the 24th January ..	Bengal ..	669,580	2	1
	Madras ..	121,190	11	8
	Bombay ..	41,633	6	8
		£1,297,130	7	11

**THE STATE OF TRADE.**

**THERE** has not been much activity in the manufacturing districts, and the several failures have tended to produce a feeling of gloom in most departments. This has, latterly, been increased by the instability of the Government, and the apprehension that the war may be further protracted. The advices from Australia and America still operate as a check to a revival in the demand for export.

**MONTHLY CHRONOLOGY.**

Dec. 29.—New French loan announced for £20,000,000 sterling, subscriptions to be received by open tender.

Jan. 3.—Messrs. Baring Brothers and Messrs. Rothschild open subscriptions for the French loan.

3.—Failure of Messrs. Morewood and Rogers, in the iron trade.—Liabilities about £180,000.

10.—Notification of a strict blockade of the Black Sea and the Sea of Azof from and after the 1st February.

10.—Suspension of Messrs. Abbott, Nottingham and Co., in the shawl trade.

12.—Failure of Messrs. M. Hetherington and Co., in the American trade.

16.—Suspension of Messrs. Aubertin Brothers, general merchants, and bankruptcy of Messrs. Krohn Brothers, general merchants.

17.—Failure of Messrs. Lonergan and Co., in the Spanish and West India trade.

17.—Stoppage of Messrs. Rogers, Lowrey, Holyland and Co., of Watling Street, warehousemen.

18.—Announcement of the failures of Messrs. Wadsworth and Sheldon, bankers, New York; Mr. Matthews, in the provision trade, New York; Messrs. Brander and M'Kenna, in the cotton trade, New Orleans; and Messrs. Seagrave and Steeve, Providence, Rhode Island.

19.—Suspension of Messrs. Home, Eager and Co., in the Cape of Good Hope and Australian trade. Liabilities said to be about £130,000.

19.—Failure of Messrs. Turiff and Sharp, in the iron trade, New Cumnock.

23.—Re-assembling of Parliament after the Christmas recess.

24.—Announcement of the failures of Messrs. Belcher Brothers, sugar refiners. St. Louis, liabilities about 400,000; also of Mr. W. G. Ray and Messrs. Foster and Stephenson, produce brokers, New York, and Messrs. A. G. Farwell and Co., Boston, their agents.

24.—Messrs. Millers and Thompson, of Liverpool, ship owners, and brokers, suspend payment. Messrs. Spence and Co., in the iron trade, also of the same town, represented to be in difficulties.

24.—Intelligence received of the suspensions of Messrs. Horn and Sergeant, Messrs. Hele and Co., General Lorimer and Messrs. Howard, Smith and Co., all bankers, at Detroit.

24.—Suspension of Messrs. Capron and Lathrop, manufacturers, Connecticut.

24.—Resignation of Lord John Russell as President of the Council.

Messrs. Boyd, Lawson and Co., of the iron trade, Glasgow, stated to have failed.

29.—The defeat of the Ministry, on Mr. Roebuck's motion, by a majority of 137.

**NOTICES TO CORRESPONDENTS.**

Several communications and reviews stand over until next number. All letters, except they involve important points, should be sent by the 20th of the month.

**A SUFFERER.**—We have an article prepared on the subject, which will shortly be inserted.

**BRANCH MANAGER (Stafford).**—The financial measures of the Government will depend upon a reconstruction of the cabinet.

**L. S. D.**—The investment is evidently a doubtful one. A committee have been appointed to inquire into the affairs of the commission, as will be seen by the reports in the daily papers.

# THE BANKERS' MAGAZINE;

AND

Journal of the Money Market.

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MARCH, 1855.

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## EXTENSION OF THE JOINT-STOCK BANKING SYSTEM.

It has required no gift of prophecy to foretell that the system of Joint-Stock Banking, as conducted in the metropolis, would be shortly extended. The success of the existing establishments, the rapid progress they have made and are making, with the high rates of dividends on the invested capital, are circumstances which could not fail to direct attention to the field thus opened for financial enterprise. The only surprise, looking at the past, is, that so great a delay has been allowed to take place in promoting institutions, the utility and profitableness of which have been proved beyond the remotest doubt. The fetters of legislation have probably prevented many parties from introducing projects which would have accomplished this end; but the mania of 1851 and 1852, while comprising every other species of adventure, did not, to the best of our recollection, present, in a distinct form, a proposal for an additional London Joint-Stock Bank. The tendency was then in the direction of Australia and India, and several which were promptly organised are now in active and remunerative operation. The tide has at last turned the other way, and a movement is being made in favour of new Metropolitan Joint-Stock Banks.

The preliminary announcements which have taken place—for those which have been issued can be considered nothing more—show that two projects will be offered for public support; and these, although they have just emerged into light, have, it appears, been for some time under consideration. Respectively entitled the “City Bank” and the “Bank of London,” it is proposed that they shall transact the ordinary business of banking, giving the same facilities to customers as those afforded by the existing establishments. So far as can be at present ascertained, no new features will be introduced, but the usual prin-

ciples are to guide operations—the resources of trade, and the requirements connected therewith, being considered ample to warrant an extension of the Joint-Stock Banking system.

The City Bank—the one that was first intimated as in course of formation under the auspices of Sir R. W. Carden—has not yet issued a prospectus, but the capital stated is £300,000, to be increased to £500,000, in shares of £100, £50 of which will have to be paid up in accordance with the provisions of the act 7 and 8 Vic. cap. 113. The Bank of London has published a prospectus, with Sir J. V. Shelley as Chairman, the commencing capital to be £600,000, with power to increase to £2,000,000, the shares being regulated in proportion and payment to those of the City Bank, the same legal provisions applying. Until each prospectus shall have been brought forward, there will be no opportunity of judging of the comparative strength of the directors of either project; and as, upon this point, much of their success depends, great caution should be exercised in the selection of eligible and responsible names. The promoters of the Bank of London, although they have put forward a respectable list, have not exhibited overwhelming strength, and possibly the City Bank, when the names of its directors shall have been published, will be found to stand in no better position; but the weight of influence in this respect is of such paramount importance, that their vitality may almost be said to depend upon it. Another bank is alleged to be in course of organisation, in which the railway interest, it is thought, may be accommodated, but no authorised statement has yet been issued, announcing the progress of its projectors.

It is easy to conceive that, sterling as the merits of these undertakings may be, great difficulties will have been encountered in obtaining suitable names for directors. In the first place, so extensive are the ramifications of the business connections of the existing banks, that the majority of first-rate trading concerns are represented in these boards, or their interests are identified with persons who aspire to that honour. Among, therefore, the large number who would be eligible in this respect, few have evinced a disposition to take the lead in assuming the responsibility. Another class continue to be the supporters of the private bankers; and, while they cannot help perceiving that the special interests they advocate will inevitably decline before the rapid strides of the joint-stock principle, family ties and ancient prestige prevent the open recognition of its success, or a participation in its operation. Thus divided, the two classes are difficult to approach; and hence the temporary impossibility of framing those lists of directors which would not only attract business, but also inspire universal confidence.

Already, the banks that are in operation have drawn together resources of the most impregnable description; the principal of them, besides large wealthy proprietaries, possessing public and private accounts of enormous magnitude. While two or three, by the facility of their operations, have gained the accounts of several leading railway and assurance companies, others, in addition, represent wholesale departments of business whose transactions are scarcely of less importance; and, consequently, the competition will be of a severe and arduous character. Although the two new establishments are announced as intended to supply additional sources of accommodation, and although the most friendly feeling is expressed in relation to their anticipated progress, by the banks now transacting a profitable business, it is evident, to all who view the question impartially, that, however prudently managed, these projects will in their early career have to make head-way against many difficulties. These remarks are not made in any spirit of discouragement, but only with the object of preparing those who may engage in them for the part they will have to take in working them to a profitable position. It is admitted on all hands, that there is room for two or more joint-stock banks in the metropolis, and that, if well conducted, there is every reason to believe that they would return good dividends on the invested amount of capital.

But the directors and the managers, when they are organised, must not forget the peculiarity of their position. They must not imagine, that because they have started a bank, and that because it is a joint-stock bank, conducted on the principles popularly supposed to have achieved great results, business will flow in with an uninterrupted current, and deposits accumulate in a proportionate ratio with those held by the senior establishments. If they do, they will find themselves sadly deceived. The dividends that the present joint-stock banks declare, have reached their maximum point after many years of steady perseverance, not unaccompanied by occasional drawbacks and losses. Light as these have in reality been, compared with the rapid accession of profits, they would, to young and struggling establishments, create impediments that might compromise their ultimate stability. It will require much business aptitude, great caution, and a necessary amount of influence, to guide the operations of the new establishments to a successful issue. We should be less sanguine of the fate of these projects, had the share subscription been placed at a lower amount; since, while it is a moot-point, whether capital to an enormous amount is required to conduct the legitimate transactions connected with banking, there would have been the apprehension, had a contrary course been permitted, of a speculative feeling intervening, which, in the end, might have been prejudicial. The law, how-

ever imperative in its application, has averted this danger ; and the shares, if subscribed for and paid upon, can alone be taken up by individuals whose station and wealth will at least furnish an assurance that the capital has been provided. To this extent, the public will be protected ; and if the charter system, which it is proposed shall be applied to the liabilities of these establishments, shall work satisfactorily, the results will be encouraging to all interested in their development.

There can be no question, that the extraordinary dividends presented at the late half-yearly meetings have induced the promoters of the new banks to attempt their immediate formation ; the period itself not being one favourable to the introduction of enterprise of any description, especially when regarded in connection with the required amount of capital. The circumstance, however, of those possessing real resources to engage in such undertakings being alone likely to identify themselves with them, will account for the apparent disregard of the existing depression.

The half-yearly meetings of the several joint-stock banks in London being now completed, the subjoined table has been made up, showing their relative capitals and extent of transactions, as well as the respective periods at which they were opened, and the number of branches belonging to each establishment.

Banks.	Paid up Capital.	Deposits.	Guarantee Fund.	Rate of Dividend just declared.
	£	£	£	
London and Westminster — established 1834. (5 branches.)	1,000,000	7,177,244	134,526	6 per cent. per annum, and bonus of 5 per cent. for half-year, making distribution at rate of 16 per cent. per annum.
London Joint Stock — established 1836. (1 branch.)	600,000	6,161,154	156,023	10 per cent. per annum, and bonus of £1 1s. 2d. per share, making distribution at rate of about 20½ per cent. per annum.
Union of London — established 1839. (2 branches.)	422,900	7,031,477	50,000	10 per cent. per annum, and bonus of 2½ per cent. for half-year, making distribution at rate of 15 per cent. per annum.
London and County — established 1839. (58 branches.)	399,895	3,779,944	69,056	6 per cent. per annum, and bonus of 6 per cent., making distribution at rate of 12 per cent. per annum.
Commercial — established 1840. (1 branch.)	300,000	1,265,903	64,012	6 per cent. per annum, and bonus of 16s. per share, making distribution at rate of 10 per cent. per annum.
Royal British — established 1849. (6 branches.)	50,000	899,751	12,591	6 per cent. per annum.

The growth of business exhibited by these returns is still very great, and the average annual rate of dividend to the shareholders has reached between 13 and 14 per cent.

In the case of the Union and Commercial Banks, the meetings are not half-yearly, but annual; and the above figures are therefore those which were submitted in July last. Since that period, their deposits have most likely experienced a considerable increase.

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#### MEMOIR OF M. LEON FAUCHER.

IN the death of M. Leon Faucher, which took place towards the close of the last year, the periodical press of France has to lament the loss of an eminent *collaborateur*—the Academy of Moral and Political Science, of the most zealous and indefatigable of its members—and the country, of one of the noblest and most gifted of her children.

Born at Limoges, on the 8th September, 1803, he had scarcely completed his 51st year. He was educated at the College of Toulouse, to which city he had removed when quite a child. Possessed of no fortune, but endowed with a strong taste for serious study, he had at first entertained the intention of adopting the profession of tutor; and, in fact, his *début* in life was in this capacity, in the family of M. Dailly, the post-master at Paris. Leon Faucher had originally evinced a decided predilection for philosophical studies; but, experiencing some difficulty in entering the University as professor, he next turned his attention towards the periodical press, and had scarcely commenced his exertions in this direction, when the Revolution of 1830 broke out. By one of those numerous promotions, under the new Government, of journalists, to employment in the administration, he became editor of *Le Temps* journal. His early articles in this paper, which were confined principally to fragments, upon the philosophy of history, were distinguished by remarkable vigour of thought and style.

He shortly afterwards engaged in the attempt to establish a Sunday journal, called *Le Bien Public*. This proved unsuccessful, and is only deserving of mention, as affording an occasion for the display of one of those actions so characteristic of the spirit of pride and independence by which he was animated. *Le Bien Public* had been originated upon the joint-stock principle, and, upon its failure, he considered it his duty, although legally in no manner compelled, to reimburse the shareholders the whole of the funds which they had advanced; and thus contracted, without hesitation, responsibilities which served long afterwards to weigh upon the laborious exertions of his early career. The knowledge of this "trait" is confined to the private friends of M. Leon Faucher.

Amongst the organs of the legal and constitutional, in contradistinction to the republican opposition, *Le Courier Français* figured in the first rank. M. Leon Faucher first became attached to this journal in the capacity of sub-editor, but on the death of M. Châtellain, the chief



editor, which happened in 1839, he was immediately appointed to succeed him in that office. M. M. Thiers and Odillon Barrot were at this time the leaders of the Parliamentary opposition, and with them Leon Faucher was in daily communication. Upon the breaking up of the coalition, and during the change of Ministry which subsequently occurred, he continued his labours in connection with the daily press, and gradually acquired, amongst his party, more authority and renown. Even his political opponents have always borne witness to his disinterestedness, and to the fact, that his influence was never exerted but for that which he believed to be the public good.

An occasion still more remarkable shortly presented itself, for the exhibition of the inflexibility of his political integrity.

The proprietary of the *Courier Français* having, about this time, changed hands, the new management announced their intention to modify, in some measure, its opinions. Upon this, M. Leon Faucher immediately gave in his resignation of the post of editor—a circumstance the more honourable, since, in resigning this office, he abandoned the single fruit of all his previous labours.

He then devoted himself almost exclusively to economical pursuits. The first article which he published in the *Revue des Deux Mondes* was on the 1st of November, 1834. Amongst others, which shortly afterwards appeared, there was one towards the end of 1836, especially deserving of notice, upon "*L'Etat et Tendence de la Propriété en France;*" and another, comprising a great project of commercial association between France, Belgium, Spain, and Switzerland, called "*L'Union du Midi;*" which was designed, in his opinion, to serve as a counterpoise to the German "*Douanière Association.*"

He also published in 1837, for the benefit of the liberated youthful convicts, a treatise on the reform of prisons, which attracted considerable attention, by the originality of its ideas, and the profound sentiment of humanity by which it was inspired. As yet, however, he had produced no work capable of affording a correct estimate of his talent. On 1st October, 1843, there appeared in the *Revue* an article upon "Whitechapel," designed as the first of a series upon the industry of England. Analogous articles upon St. Giles's, Liverpool, Manchester, Leeds, and Birmingham, successively followed; and in 1845, the whole were re-published together in two volumes. This is undoubtedly the principal work of M. Leon Faucher—the only one, in fact, which his short and interrupted career afforded him leisure to terminate. It exhibits, in a remarkable degree, the vigorous qualities of his mind, abounding in masculine thought, united to the results of long and patient research. Even in this country, notwithstanding the severity of its tone, it is deservedly held in high estimation. About the same period, he read to the Academy of Moral and Political Science, a paper entitled, "*Recherches sur l'Or et sur l'Argent, considérés comme et alors de la Valeur,*"—one of his best written productions, and that which bears the greatest marks of his investigating and scientific genius. He took part also in the editorship of the *Journal des Economistes*, and wrote for it a great number of articles upon the economical questions of the

day, especially the Customs Tariff, one of the most constant objects of his consideration and study. When the association for the freedom of the "*échanges*" was organised in France, upon the model of the famous league which had just achieved so great a success in England, he became one of its most zealous members.

Unfortunately, this undertaking, so conformable to the true interests of the nation, fell into some extravagances, by which it sustained an irretrievable blow in public estimation. With his acute and practical sense, L. Faucher was the first to comprehend the bearing of these exaggerations, and refused, in a letter rendered public at the time, any longer to associate himself with it.

At the elections of 1846, he was returned for the manufacturing town of Rheims, where his well-known opinions in favour of free-trade had enlisted the sympathies of the inhabitants. He had previously addressed himself with considerable success to the art of oratory; and his speeches, always powerfully sustained by facts and ideas, were by no means the least applauded in the Assembly.

In the incessant attacks made upon the Government of July, by an opposition which had exceeded all legitimate bounds, Leon Faucher took only small part. He treated, however, with distinction, several special subjects; amongst others, the organisation of banks, in connection with which he advanced and maintained many sound views and opinions, disputed at the time, but which have since received the undivided sanction of experience.

From the revolution of February, dates the most interesting portion of M. Leon Faucher's career. When the old opposition, engulfed for a moment in the common shipwreck, became sensible of the necessity of re-erecting the ruin which they had occasioned, he entered with his accustomed energy and resolution upon this reparatory crusade. On 1st April, 1848, he published, in the *Revue de Deux Mondes*, a first treatise on "*L'Organisation du Travail*." Re-elected member of the Constituent Assembly, he occupied a prominent place among the defenders of order. He took part in all the conflicts of this terrible epoch; and when the election of 10th December, 1848, had substituted for the powers created by the revolution a title conferred by the majesty of the people itself, he made one—at first as Minister of Public Works, and afterwards as Minister of the Interior—of the Cabinet of the new President. In the latter capacity, he undertook that which, perhaps, no other person under the circumstances would have dared to have done—viz., the complete reform of the administration of the Interior. The revolution of February had expelled all the old officers of the monarchy, and replaced them by other and newer hands. He made it his duty carefully to examine the titles of both parties, and, convinced that good administrators are rarely improvised on a sudden, he recalled to their posts the greater part of the *préfets* and *sous-préfets* who had been in this manner discharged. This vigorous act of restoration, taken with the concurrence of General Changarnier, was accomplished in the face of the most furious opposition and attacks, and served as the crowning act of his memorable ministry. It is well

known how the expiring Assembly revenged itself upon the courageous member. Upon the re-union of the Legislative Assembly, however, one of its first votes was a deed of reparation towards the dismissed minister; this was followed by his re-election five times to the office of vice-president.

The Academy of Moral and Political Sciences also admitted him amongst the number of its members, with the evident design of recognising the conduct of the minister, not less than the labours of the economist. About two years elapsed between his first and second acceptance of office. In this interval, he took part in all the labours of the Legislative Assembly, distinguishing himself as an influential member of all the important commissions, and especially of that which prepared the famous law of 31st May, 1850. This was also the period in which he co-operated most actively with the *Revue*. Notwithstanding his other numerous avocations, he found both leisure and ability to furnish it, every two or three months, with a treatise upon financial questions. The greater part of these compositions, "*L'Impôt du Revenu*," "*La Reprise des Paiemens en Espèces par la Banque de France*," "*Les Budgets de 1850 et 1851*," "*Les Banques Coloniales*," "*Le Démonétisation de l'Or*," &c., may be instanced as models of discussion and of economical science.

Amongst the parties which at this time divided the Legislative Assembly, there existed one which was desirous of preserving the parliamentary Government with the Presidency of Louis Napoleon. To this belonged M. Leon Faucher; and it was to attempt the realisation of this object, that he re-entered the Ministry in April, 1851. Here he remained six months, but without the power of averting the shock which was in preparation between the President and the Assembly; and, sensible at length of the inutility of his efforts, he retired. Six weeks afterwards followed the *coup d'état* of 2nd December.

M. Leon Faucher loved administration, and naturally so. Combined with the promptitude and decision requisite for the higher employments of the Ministry, he possessed an indefatigable application for labour, together with a patient attention and profound study of details. Scrupulously austere in his public and private manners, his principal characteristic was an inflexible will, which neither fears nor difficulties could overcome. He introduced and carried out the great project of a law, of which Paris is now witnessing the execution, and by which fifty millions (francs) were devoted to the new Rue de Rivoli, and the completion of the "*halles centrales*." Upon the occasion of his laying the first stone of the "*halles*," the President publicly presented him with the cross of Commander of the Legion of Honour. He possessed a cultivated taste for the arts. The discoverers of Nineveh and of subterraneous Rome found in him an enlightened patron; and, in his capacity as Minister, he afforded them considerable encouragement in the prosecution of their labours.

When the rupture, which he had endeavoured so strenuously to avert, became openly declared, the President, upon the day of the *coup d'état*, nominated him member of the Committee of Consultation just insti

tuted ; but he declined the appointment. No doubt it would have been competent for him, had he possessed the inclination, by adhering to the act of the 2nd December, to have occupied the most elevated position under the prince whom he had previously served ; but he was too ardently attached to parliamentary principles. From this moment, a deep chagrin appears to have taken possession of him, from which he never afterwards recovered. Leon Faucher possessed the only sentiment capable of sustaining those engaged in the changing arena of politics—faith in himself and in his cause. The ruin of all his hopes struck him to the heart. At first, he thought to find aliment for the activity of his mind in the establishment of the society of “*Crédit Foncier*,” an institution which has already rendered the most important services to the French *propriété*. He devoted himself wholly to it, with the intense application peculiar to his character ; but here, also, he was doomed to experience disappointment.

He had married, in 1837, Mademoiselle Alexandrine Wolowski, the daughter of an ancient deputy of the diet of Poland, a refugee in France, and sister of M. Louis Wolowski, Professor in the “*Conservatoire des Arts et Métiers*,” and afterwards member of the Constituent Assembly, and Director of the “*Crédit Foncier*.” This union was productive of the only happiness which he enjoyed throughout his short and agitated career. The man whom the habit of debate and contest had tempered outwardly like steel itself, was, at heart, naturally affectionate and good.

An affection of the throat, originally developed by his exertions in the Tribune, had acquired by degrees a more serious character. Pursued by this relentless disease, he passed the whole of the last summer at the waters of the Pyrenees, moving from Eaux Bonnes to St. Sauveur, and from St. Sauveur to Bagnères de Luchon.

It was during this journey that he traced, with a firm but dying hand, his last celebrated work, *Les Finances de la Guerre*,\* written in the midst of the most poignant suffering, for the *Revue des Deux Mondes*.

Passionate for the grandeur and the glory of his country, long and ardently attached to the English alliance, and opposed to the encroachments of Russia—which country he considered as the born enemy of liberty and civilisation—he had witnessed, with a lively sentiment of sympathy, the war declared by the Western powers. Capable of associating himself with their efforts by his pen alone, he has at least succeeded in rendering them able assistance with this weapon.

The effect of this treatise was so profound and universal, that the Russian Government considered it incumbent on them to answer it. The reply which this attempt provoked will not soon be forgotten.

This reply to M. Tegoborski (the Russian champion) appeared in the *Revue* of the 15th of November. A month afterwards, and M.

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\* A translation of this work has recently appeared in the pages of the *Bankers' Magazine*.

Leon Faucher was no more. He had returned for a moment to Paris, for the purpose of putting his affairs in order, and had set out again upon his way to Italy, where he intended to pass the winter: a terrible crisis, however, arrested him at Marseilles, on the eve of his embarkation, and after a violent struggle of fifteen days, he yielded up his spirit.

His widow (he has left no family), who had not quitted him day or night during his long agony, accompanied his mortal remains to Paris, for the purpose of depositing them in the family tomb. The performance of this last sad duty was shared in by almost all the celebrated literary and public men in Paris; consisting of all shades of opinion, and many even the former political adversaries of M. L. Faucher. They, nevertheless, assembled with a unanimous sentiment of grief and respect, as an act of homage to his short, but eminently active career.

## THE DECIMAL CURRENCY.

*On the Expediency of at once Decimalising English Money and Weights.*

BY J. A. FRANKLIN.

*(A paper read before the Society of Arts, February 14th.)*

IT is due to this distinguished auditory, that I explain and bespeak indulgence for the somewhat fragmentary character of what I am about to read. When honoured with a request to treat this important subject here, I strung together materials considerably more abundant than can now be used, and there have been invited to the discussion certain writers who are at issue with me and with the Decimal Association, with which I have the honour to be connected. On their behalf, it has been arranged that two other papers shall be read this evening, and, in order to afford every facility to them, I shall have to skip many parts of my paper; for leisure has not served to re-cast the whole satisfactorily, and I crave indulgence accordingly.

The principal consequence of these altered arrangements will be to throw into the shade many interesting features of the decimal subject, as a whole, and to give prominence to our monetary system, which it is proposed first to decimalise.

Permit me, then, to assume it proved, that the irregular and capricious modes in which English moneys, weights, and measures are reckoned, whether upwards or downwards from any given denomination, are needlessly and painfully perplexing. In the school-room, wasting precious moments distastefully, and trenching upon opportunities all too limited for moral and mental training; in the market, preventing the poor man from distributing his small earnings intelligently and economically; in the warehouse and counting-house, consuming costly labour, while the risks of error are increased manifold; and in the operations of international commerce, converting what might be the simplest arithmetical processes into problems difficult of solution, even by the initiated and the experienced.

Let us take as granted the reasons upon my notes for treating decimal, or all-ten reckoning as the natural one—that of the ten figures; and for considering metrical gradations other than decimal to be primitive methods or artificial subdivision in the absence of natural instruments capable of separation or disintegration. It is time that the still later invention of decimal arithmetic, and the still more manageable ten digits which are its proper instru-

ments, should help us so to simplify and universalise the principles of metrology, of computation, and of accountancy, as that tables of money, weights, and measures of all kinds shall be superseded, and that quantities, dimensions, prices, &c., may become reciprocally commensurable at once, without any intermediate process or effort. With this object it is proposed, first, to convert our monetary notation from the irregular one of *£ s. d. qr.*, pounds, twentieths, twelfths, fourths, into the symmetrical or all-ten notation.

Even while our coins have been thus irregularly related to each other, the superior facilities of computing decimally have been so manifest, and the means of decimalising downwards from the *£*, that is, converting sums of shillings, pence, and farthings, into tenths, hundredths, and thousandths of the *£*, so easy and convenient, that already in 1613, as mentioned by one of our greatest authorities on this subject, Professor de Morgan, a book was published teaching this simple and rapid process.

In glancing at the history of proposals since made, not merely to decimalise our moneys of account, but our actual coins of circulation, permit me to remind you that the decimal question has been already brought before your Society by my friend Mr. Miller, of the Bank of England, whose very able paper, read last session, traced the more important changes in our coinage, and gave many interesting details of the variance of weights, fineness, value, and nomenclature, through which certain coins had passed to their present names and standards. The inconvenience of our present involved system of coins, weights, and measures, with their several tables, rules, multiplicity of figures, and non-arithmetrical notation were contrasted with the brevity and simplicity of the decimal, or all-ten system. The commercial importance and facility of a change to the latter were forcibly urged, more especially with regard to our coinage and accounts, and it was demonstrated that a decimal coinage is for us in no other way practicable than by the adoption of the pound as the chief unit or first coin of the decimal scale.

The decimalisation of our currency, as well as of our accounts, was advocated by Lord Wrottesley, in 1824; by Mr. Babbage, in his *Economy of Manufactures*, in 1832; by General Pasley, in 1834; by Professor de Morgan, in the *Companion to the Almanack* for 1841-48 and 53; by the Commission for the Restoration of the Standards of Weight and Lineal Measure, appointed by Lord Montague, in 1838; by Dr. Bowring's move in the House of Commons in 1847, from which the first practical step in advance was taken by the issue of the florin, bearing on it the words *ONE-TENTH OF A POUND*; by the Parliamentary Committee, in 1853, of which Mr. Wm. Brown, the Honourable Member for South Lancashire, was chairman, a gentleman whose commercial experience might fairly entitle him to be considered a high authority for the change; and by the second commission of 1851, the distinguished members of which, in 1853, wrote to the Chancellor of the Exchequer, urging the completion of our decimal system of coins, from the pound to the thousandth of a pound, and who, in their report in 1854, felt it incumbent upon them, although the coinage did not form a part of the inquiry referred to them, again to enforce the importance of carrying into immediate effect a change in our coinage which would so much simplify all monetary calculations and accounts. Since then, and with such authority in their support, the Decimal Association has been formed. They have, in proof of the utility of their object, the evidence, not alone of men of science, accustomed to weigh every minutia of detail with the severity of mathematical exactitude, but the evidence of men of business and accounts—men of incessant practice in every branch of trade, commerce, and money—merchants having transactions with every portion of the globe, and as familiar as with the multiplication table with every slight variance in value of the manifold moneys of the world—manufacturers, paying weekly every variety of amount to every class of

workmen, skilled and unskilled—shopkeepers, selling a vast aggregate in the smallest quantities of goods of ordinary consumption that can be sold to meet the wants of the poorest and least taught, and who have certainly a knowledge both of the utility of the change, and how it would be received by the masses of the people. Nor is this the entire concert of authority upon the subject. Schoolmasters, considering how much more easily arithmetic would be taught with decimal moneys, weights, and measures, have petitioned, praying Parliament to bring about the change—Chambers of Commerce and Commercial Associations, viewing its bearings, not only on home business, but in rendering our weights, measures, and money more intelligible to our foreign associates in trade, have petitioned for the system—the Bank of England, a body which, standing at the head of the monetary world, may reasonably claim to be considered a sufficient authority as to every gain that would follow from, and every difficulty that can stand in the way of the change, have, under a matured conviction that decimal coinage and accounts would spare the waste of intelligence, save labour, ensure accuracy, and be, in short, a public boon, have contributed £100 to the funds of the Decimal Association—and upwards of 250 members of Parliament, who may be presumed to have some knowledge of the opinions of the people, and amongst whom are representatives of every principal sect of commerce and manufactures, have given their names as members of the Association, which proposes, as the first step, the decimalisation of our coinage, and holds it to be utterly impracticable that it can be decimalised in any other way than with the pound as the first coin of account.

Other modes of accomplishing the end have, however, been proposed; not, it is true, on any very important authority, nor have they met with any considerable support: but "their advocates are sufficiently pertinacious (it is said) to be obstructive."

All schemes heretofore propounded for the decimalisation of our English money belong to one or other of two categories—one of which retains the £, the other which retains the penny. The two are obviously irreconcilable under any decimal system, properly so called, for their relation to each other is 240 : 1, and that of the shilling to the penny is 12 : 1. Either the penny or the tenpenny unit would, of necessity, displace the £, as our principal money of account, together with the shilling, a fact which is virtually admitted by the proposal to substitute for the £ a coin of 100 pence (8s. 4d.) under various names.\* On the other hand, the £ unit, if retained, requires nothing incompatible with any other unit proposed between itself and the shilling inclusive.

The question then lies virtually between the £ and the penny, and it is not difficult to demonstrate that neither the penny unit, nor any other unit based upon the penny, could meet our obvious requirements, whether of domestic trade or of international commerce.

Since a new system cannot displace the old one, as it were, by sleight of hand, there must be due consideration for long-established habits, both of computation and of estimation by *£ s. d. gr.* The whole stock of ideas and facts concerning monetary value possessed by the present generation, and every existing record of finance, values, prices, &c., accumulated in the past for the use of the future, render it indispensable, not alone that values expressed by the old system should be convertible into any new notation which may be adopted (as also the converse) by the simplest possible operation, but that both notations should be reciprocally commensurable almost at a glance.

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\* Mr. Minasi, a candid advocate of the penny, writing under the motto "Penny Wise and Pound Foolish," says that the penny as a unit would "extinguish" the £.

When sums recorded in £ s. d. gr. have to be expressed in the notation of the decimalised pound, i.e., pounds and mils, we find the most important item, the pounds, already decimalised to hand, so as not to require any change. The three denominations (fractions of the pound) which remain, suggest their own decimal equivalents at once to all classes (and they are numerous), already accustomed to make monetary calculations decimally; for a little practice is alone needful, in order to convert or read off those equivalents at sight.\*

On the other hand, if sums recorded in £ s. d. gr. have to be expressed by the system of the tenpenny and its mils, or of the tenpenny and hundredths of a penny, it will rarely happen but that every integer of the original sum will have to be altered. The pounds must be multiplied by 24; the shillings by 12; the remaining pence must be added to the last product, and the farthings represented by two additional places of figures next following. Both systems have three places of decimals after the unit, and both are susceptible of still further subdivision, if desired; but, *per contra*, while a pound unit needs but a single integer, that same value, expressed in tenpences, will always need an additional integer: and, in all cases beyond £4, two additional integers must be written down.

Let the most expert arithmetician endeavour to compare and estimate, side by side, sums of magnitude expressed in all three notations; and also ascertain what impressions are produced upon any eye or ear educated in the old monetary notation, by quotations of such sums in the tenpenny notation. These last, before they can become commensurable with values otherwise expressed, must be divided throughout by 12 and 20, or else by 240, whereas, the habit has already long prevailed of comparing "at sight" shillings, pence, and farthings, the only items not identical as residual fragments of £1, with like values expressed in thousandths of £1.†

I propose here, in order to save the time of the meeting, to retrench arguments and examples in support of the £ *versus* the penny, as "a schoolboy's question." If those who follow me will also agree to defer that question to a practical issue—not upon problems specifically devised on one side to embarrass the other, but to be tried thus: To two classes of free-school boys let us dictate an impartially selected score of arithmetical questions. One class shall work by the £ and mil, the other by the tenpenny, and the auditory shall judge between them the two systems.

The principal advocates for the penny at the expense of the pound, are—

1st. Those who propose to adopt a penny as the unit, decimalising upwards to 10 pence, 100 pence, &c.

2nd. Those who adopt a tenpenny unit, decimalising downwards to the single penny and the 10th of a penny.

3rd. Those who adopt a farthing as the unit, decimalising upwards to 10 farthings, 2½d.; 100 farthings, 2s. 1d.; 1,000 farthings, £1 0s. 10d.

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\* I do not, of course, overlook the fact, that the mathematical equivalent for 1-960th part of £1 cannot be expressed in thousandths of £1, for that it is which constitutes the occasion for a reformed currency. But the discrepancy between a farthing and a mil is only 1-100th of a penny, and at 25 mils per sixpence even that is compensated.

† This habit, as taught in our best school arithmetics, under the name of "reduction by inspection," has been found to save both time and labour, even though the results have had to be re-converted into shillings, pence, and farthings. Hence, practice is already in advance of theory, in the harmonising of English money (like that of other countries) with "the all-ten reckoning," or simple method of whole numbers only, counted throughout by tens.



It will be observed, that whether tenpenny or penny be the unit, there at present exists no coin which can be represented by unity in the next rank below the penny; so that, in either case, the simple decimal chain is broken at this stage. On the other hand, where the farthing is the starting point, every existing coin preserves its value undisturbed, but nothing except the farthing itself retains its specific rank in accountancy.

New gold coins, whether of 100 pence or 1,000 farthings, would lead to endless mistakes and confusions, unless all our existing gold coin were called in and demonetised.

The small differences in size and weight of the £1 0s. 10d. from the £, of the 8s. 4d. from the half-sovereign, and of the tenpence from the shilling, have suggested to the advocates of the new coin a necessity to make it oval, as a means of being readily distinguished. The very suggestion, strange as it is, is significant.

Our penny-piece has been spoken of as if it were one of the bulwarks of our ancient institutions, another *Magna Charta*. The piece we have is a thing of yesterday. Etymologically, as some hold, it signifies money in general, after the Danish word *penge*. There used to be a penny of two pence; and Henry III. coined a penny of gold, a 20 pence token. The Anglo-Saxon penny was assumed to be the 240th of a lb. of silver, a penny piece of a penny-weight. But both weight and value fluctuated considerably, eventually dwindling until it became too small for convenient circulation. At the date of Charles I., when the pound itself was a silver coin, the penny had long become too small to be useful, and small amounts were then made up of copper tokens. English copper-money is of comparatively recent date, Ruding says that Charles II. first issued copper-money, properly so called, but that it does not appear to have been made current. The first copper penny of the realm, as a legal tender, was struck at Birmingham, in 1797, and is the large rimmed penny now current, weighing exactly an ounce avoirdupois, as a ready popular test of weighed commodities. The more recent pennies are tokens, 24 to the lb., about half their nominal value, and a legal tender to twelve pence only. That sum is represented by another token, the silver shilling, current also for something more than its intrinsic value, and in turn a legal tender to 40 shillings only; whereas the sovereign is not a token current for more than its worth, but a legal tender to unlimited amount. In fact, under the law of 1816, passed at the instance of Lord Liverpool, the gold pound, long constituting the unit of our monetary system, became the sole representative of our national standard of value.

Let us trace back the £ sterling of gold to its origin. The name "sovereign" was first given to the double royal, stamped with the effigy of Henry VII. in sovereign robes, and made current for 20 shillings. Henry VIII. expressly declared it a "pound-sovereign." James I. constituted it the chief coin in our system, called it a unit, and stamped it with the Roman numerals, XX. Hence the three significant names, pound, sovereign, and unit, applied to the chief coin of our system, came to be used. Under Charles I. this unit was called a guinea, only because of the gold coming from the Guinea coast. The guinea, somewhat later, got to bear a fluctuating premium over 20 silver shillings, until, on the advice of Sir Isaac Newton, Master of the Mint under George I., it was declared a representative of 21s. After this, we had a double standard, silver being payable by tale to £25, and to any greater sum at Mint price. Thus it continued until the sagacity of Lord Liverpool and his school averted the evils of a double standard; and in 1816 the sovereign, in its present shape, was again made identical with the pound of account, and silver coin became mere tokens, as at present.

This brief historical parallel between the penny and the pound, shows that

the penny has not been the unit of a monetary system for many centuries, whereas the pound unit, expressly so called, which it is pretended that a mere token may extinguish, has occupied its position since the time when Great Britain took her commercial position among the nations of the earth.

By the kind assistance of Mr. Webster, the numismatist, I am able to present a diagram, showing the coinage of all kinds, in relation to *£ s. d. qr.*, as issued from the time of Henry VII. to Victoria, inclusive.

Mr. Webster has also obligingly brought down a valuable collection of pennies, extending over 1,000 years, showing their gradual diminution in weight of silver, and exemplifying in another series the origin and progress of our copper coinage, as I have just described.

I regret to have failed in making up a historical series of the gold pound or sovereign. The silver *£* and 10*s.* pieces of Charles I. are in Mr. Webster's case.

*The Coinage: Pounds, Shillings, Pence, and Farthings issued from Henry VII. to Victoria, inclusive.*

GOLD.

The <i>£</i> Pieces of .....	5, 3, 2, 1½, 1, ½, ¼, ⅛, 1⁄16.
21 shillings do.....	5, 2, 1, ½, ¼, 1⁄8.

SILVER.

The <i>£</i> do.....	1, ½, ¼, ⅛, 1⁄16.
The shilling do.....	1, ½, ¼, ⅛, 1⁄16, 1⁄32, 1⁄64.
The penny do.....	1, ½, ¼, 1⁄8.

COPPER.

(Coins) do.....	2, 1, ½, ¼, ⅛, 1⁄16, 1⁄32, 1⁄64.
(Royal Tokens) do.....	½, ¼.
Tin (Copper-plug) do. ....	½, ¼.

NOTE.—The silver pieces below 3*d.* have been Maunday money during the later reigns.

But how is it that our present penny-piece is supposed to have so firm a hold upon the popular regard? It will generally be found, that whatever the unit of any monetary system, the public will select particular coins or values, as standards of convenient comparison. In our own system, it is indisputable that we think and speak of large values by the *£*; of prices, from, say *£*4 downwards, by shillings, as 80*s.* or 72*s.*; and from 1½ shilling downwards by pence, as 18*d.*, 15*d.*, &c. The penny is a standard of petty traffic, not because it is the 12th of a shilling, but because, like the French *sous*, or the Dutch *stiver*, both superseded coins, it is the one material point, round which, as a nucleus, such things as the penny roll, the pennyworth of apples, and other cheap penn'orths, can alone range themselves. Considering how very recent a thing is our penny-piece, and the alteration of values at this day as compared with older times, it is not unlikely that a coin or token, ten to the shilling in place of twelve, would become a still more popular and convenient standard for petty traffic.

We have been warned of the danger to our standard of value from the pretensions of the tenpenny unit.

Mr. Yates, who received the Telford medal from the Institution of Civil Engineers, for his paper, read in their last session, on the French system of coins, weights, and measures, says explicitly, when advocating that a new coin of tenpence shall supplant the pound, that—

"Perhaps it would be indispensable to adopt silver as the standard of value, \* \* silver coins would cease to be tokens, \* \* the gold coinage ought to be called in, \* \* and re-issued at its real value. \* \* The value of a sovereign, and, consequently of a half-sovereign, should be declared by law, or by a pro-

clamation ; \* \* they would, probably, under the altered circumstances, be tokens ; in this respect, taking the place of silver."

And the same gentleman, who has more laboriously laboured at the question than any other advocate of his system, and who has left unsaid nothing that can be said for it, admitted, in a paper read before the statistical section of the British Association at Liverpool, the necessity, if his plan were adopted, for the issue of entirely new coinage, and proposed the immediate recall of every gold and silver coin at present in circulation, and the issue of a paper money, beginning with tenpenny notes, to fill up the interim until the production of the new coins.

Mr. Theodore Rathbone, not the eminent merchant of that name, but the gentleman whose name has been given to the tenpenny scheme, because of his prominence in its advocacy, read another paper upon it, at the last Liverpool meeting of the British Association. Among his manifold writings, I find this expression :—

"When Great Britain has everywhere adopted the *tenpence* or twenty-fourth of her pound sterling, as the principal denomination in all her accounts, can it be doubted that the very slight adjustment required to render this coin the European franc or French tenpence—its double, the true old florin, and its quintuple, the dollar, corresponding in weight and standard fineness of metal, would very soon follow?"

In like manner has written the late Mr. Laurie and other gentlemen, smitten with the supposed correspondence of an English tenpenny with the coins of other countries. I now quote from the paper read by Mr. Minasi to the Statistical Society :—

"It will be readily observed, that great facilities would be afforded to travellers and others in more easily effecting exchange operations. The half-imperial would represent the United States *dollar*, and the *hard dollar* of Spain and the South American States; the *argent* would equally approximate to the French and Belgian *francs*, and other foreign coins of the same value; while the Dutch *guilder* and the *florin* of the Zollverein, &c., would be indicated by two *argents*. For this and other reasons, it would doubtless be found convenient to coin such pieces as—

The half-imperial or dollar—value in present money .....	4	2
Four-argent piece .....	3	4
Two-argent piece, or guilder .....	1	8
Half-argent .....	0	5

A *Victoria*, equal to ten *imperials*, or 1,000*d.*, answering to the *double eagle* of the United States, would likewise be found useful."

Now, I have studiously avoided profitless discussion about names for new pieces; but surely, those who join in disclaiming the title of *florin* for our two-shilling piece, must be ignorant that *half-imperial* is a title already appropriated by the five-rouble piece of gold, worth about 16*s.* 4*d.*, and I am at a loss to understand how *argent* is found more English than *mil*—(*mite* would do as well). I have constructed tables, showing the discrepancies in weight and value of the pieces which Mr. Minasi and others propose shall represent each other.

#### Disparities in Gold Coins, mistaken for Equivalents.

						Contents in Grains
						Fine Gold.
U.S. Eagle .. .. .	..	..	..	..	..	231·897
5 × 8 <i>s.</i> 4 <i>d.</i> British .. .. .	..	..	..	..	..	235·418
THE SOVEREIGN .. .. .	..	..	..	..	..	113·000
24 Francs { prescribed weight .. .. .	..	..	..	..	..	{ 107·528
{ Bank of England experience .. .. .	..	..	..	..	..	{ 107·339
U.S. ½ Ea- { prescribed weight .. .. .	..	..	..	..	..	{ 116·100
gle, 5 doal. { Bank of England experience .. .. .	..	..	..	..	..	{ 115·948

*Discrepancies in Silver Coins, reputed to be Equivalents.*

Coin.	Country.	Grains of Fine Silver.	Coin.	Country.	Grains of Fine Silver.
Dollars.	Mexico	376·22	10 pence	England	67·27
"	Peru	375·68	5 francs	France	347·17
"	Spain (Pillar)	372·66	50 pence	England	336·36
"	United States, 1792	370·93	Ducat	Naples	295·00
"	" 1834	371·25	40 pence	England	269·09
"	" 1853	345·55	Rouble	Russia	277·33
"	German Convention	360·83	Florins	Austria	180·41
"	Prussia	255·82	"	Holland (old)	148·01
"	Denmark	191·12	"	" (new)	145·76
"	Hayti	110·96	2 francs	France	138·86
Francs	France	69·43	Florin	England	161·45
"	Belgium	69·29	Rupée	India	165·00

*Discrepancies in Gold Coins, reputed to be Equivalents.*

Coin.	Country.	Values by Lond. Trade Experience.	Coin.	Country.	Values by Lond. Trade Experience.
Ducats	Augsburg . .	£0·437	Ducats	Bavaria . .	£0·467
"	Austria (1762) .	0·441	"	Saxony . .	0·466
"	" (1809-34) .	0·460	"	Baden . .	0·464
"	" (1838) .	0·464	"	Sweden . .	0·459
"	" " .	0·469	3 Ducats	Sicily . .	0·514
"	Hungary . .	0·468			
The Sovereign . . . . .					£1·000
24 Francs . . . . .					0·949
5 Dollars (Spain) . . . . .					0·998
Ditto (United States) . . . . .					1·026

These tables should tell their own tale. In his tract, "A Word in Behalf of the Poor Man's Penny," Mr. Minasi classes the Russian bank rouble among the coins to be approximated by the argent or tenpence, and the Neapolitan ducat as approximating 4 argents.

But Mr. Rathbone proposes what he calls a "slight adjustment" between these unlike values. What adjustment could be possible between a Russian bank rouble and the 24th of a sovereign,—the rouble being a mere paper promise-to-pay by that amiable potentate, the Czar?

Between the tenpenny and the true franc, taking the latter as a basis, adjustment would, I find, involve a buying up (by the Mint) of our silver coinage now in circulation, at a cost of about 6s. to 6s. 6d. per ounce, and a selling to all the world of the proposed new coinage, at about 5s. per ounce only:—below the market price, even at present quotations, of the mere material! So that the new coin would be melted down or shipped off as fast as issued, as, on the authority of the director of their mint, has been the case from the United States, who therefore now coin their one dollar of gold; and as is still the case from France, a fact notorious in the bullion market—20 francs in silver having recently commanded a premium over 20 francs in gold.

The establishment of an English tenpenny piece as our chief decimal coin of account would not, therefore, for any practical purpose, bring us one atom nearer an equality with French and American coins of decimal account than now.

"The delusions respecting the homogeneity, correspondence, or harmony of French, Dutch, American, and other coins," says Mr. Miller, "is manifest. Who is to change, as a means of 'adjustment?' Is France to change her franc? If so, let it be broadly proposed, and let us have our nearest neighbour's opinion on the subject. Is America to give up the dollar, and adopt the five-franc piece? Or is she to make it fifty English pence first, by way of a beginning? The truth is, 'slight adjustment' signifies neither one nor the other. It signifies, if it signifies anything, that England should, at some time or other, abandon every one of her present measures of value, together with every single element whereby to connect the monetary statistics of the past with those of the future; and that we should prepare to do all this by the issue of a tenpenny piece! When we arrive at this point, wherein does the tenpenny plan differ from Mr. Yates's, that we should adopt the French *système métrique* entire, except that it is less candid and straightforward?"

The public was however, for a time, misled into the belief that the proposed tenpenny piece and the French franc were to be identical, because certain advocates of the tenpenny piece were pleased to call their coin a franc; a confusion that was got rid of only when the actual value of the French franc was shown to differ considerably from either 10d. or £2 $\frac{1}{2}$ .

How can those who profess to respect our standard of value expect to accomplish a useful object by bringing about a resemblance or correspondence, not between monetary standards of fixed units themselves, but between mere tokens or counters for different units? Such tokens are our own shillings and pence, whose intrinsic value is made as much less than their current value as leaves no sufficient temptation to private fabricators. That such is becoming the case of the American silver coinage, as towards its gold, ought to be manifest. The U.S. whole dollar of silver still current contains 17 dwts. 4½ grs., that is, 1·16 $\frac{2}{3}$  dol. per oz. The U.S. mints have bought up, since Dec. 1st, 1853, as many as they could get, paying 1·21 dol. per ounce; and, since 1st July last, the chief mint at Philadelphia offers as much as 1·22½ dol. —so buying them back at a loss—the payment being made in gold, or in new silver tokens of 16 dwts. per dollar, i.e., at the rate of 1·25 dol. per ounce. This margin, 2½ cents. per ounce, is clearly insufficient, and we may expect a still further change.

But it is said, we should be compensated for the abandonment of the pound, by the facility for the calculation of international exchanges.

By long established usage, most exchanges between Great Britain and other countries are expressed very naturally by the number of small moneys of account which are to be given for a large money of account. Now, to our manifest convenience, the largest of such is our pound. Moreover, our pound sterling has long been an inflexible standard or measure of all other values, including that of silver; whereas America is only now gravitating to the same simple system (having made two important steps towards it, as just explained), and the best financiers in France incline in the same direction. The pound sterling signifies 113 grains of fine gold, coined in a prescribed manner; and, that being the one fixed point of the largest commercial system in the world, it were gratuitous folly in us to sink suddenly to an inferior unit; one, moreover, which, as a coin, is incapable of carrying its assumed value, and must remain a mere token of silver—its weight and intrinsic value varying with the market.\*

The comparative tables of coins before given show the ratio of bullion to bullion. It is obvious that, for gold, the ratio progresses in inverse order to

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\* I may here remark how expedient it is that we, like other nations, should make the unit of our monetary system, either itself the standard of value, or, at least, a fixed quantity of the metal which is that standard.

that of silver; and, so far as in exchange operations, one country estimates the actual coinage of another according to the fine bullion which can be extracted from it, so far is it altogether indifferent whether the coins of one "harmonise" or not with those of another. It is a delusion to suppose that exchange computations can be facilitated by merely approximating the still not identical units of account (much less of circulation), just, for instance, as it would be a delusion to suppose the ratio 1000 : 1001, a more simple proportion than 1 : 10; or  $\frac{1000}{1001}$  a more tractable factor than  $\frac{1}{10}$ .

It cannot be too much insisted upon that the closer the approximation, stopping short of complete equality, the greater the risk of error and confusion.

But, say the tenpenny advocates, overwhelmed by these disparities, we will be content, for the present, with no further novelty than a new English token, twenty-four to the pound; that will suffice for the decimalisation of our monetary system, and qualify us to negotiate for closer approximations with other decimal systems. In any case, say they, we can have the boon of decimal accounts at once. Surely the gentlemen forget that Ireland had a tenpenny and half-tenpenny coin for several years, issued by the Bank of Ireland, made a legal tender for revenue, &c., and protected by law against imitations. If, as assumed, a tenpenny piece would facilitate the keeping of decimal accounts at everybody's pleasure, how is it that, despite the abundance of tenpennies, fivepennies, &c., and notwithstanding that the advantages of decimal accounts, proclaimed long before, had become obvious enough, yet people kept accounts by £ s. d., and not decimally? A tenpence was insufficient without a hundred-pence piece, and nobody then attempted to extinguish the pound and the shilling.

If, however, a "five" had existed, that is, a token of five mils or mites—five to the sixpenny piece, ten to the shilling, 20 to the tenth of a pound, 200 to the pound—then the public accounts, those of bankers, and of all concerns which do not in accounts carry out halfpence, or pay and receive less than a penny piece, might have been kept decimally at once.

Thus, you perceive, that the tenpenny device has had its chance—the only kind of one needful to its success—according to the loudest opinion pronounced in its favour, whereas the decimalised pound, already long and firmly established for purposes of computation, still waits for the link connecting computations, accounts, payments, and exchanges, in one harmonious chain.

On the contrary, the tenpenny unit, as a "harmonised" coin, must lead to confusion; as a novel money of account, to complexity; and, as an arbitrary factor, to capricious changes, which would render the past history of international finance, with difficulty, intelligible. Eminent merchants, engaged in daily exchange operations, have already pronounced for the decimalised pound, which many of them employ in their computations. It is now, and always has been, free to them to make their computations, and even to record them, on the penny basis; and it may be said, advisedly, that they only abstain from a demonstration against that basis being adopted, because they cannot conceive it possible that it would, even for a moment, be seriously entertained.

There remains one notion, which has been mixed up with the decimal question inconveniently, and in a manner to obstruct all progress,—it is the notion of universal standards of value, weights, measures, &c., throughout the commercial world: a notion exceedingly captivating, like that of universal language, &c.

The aspiration for universal standards, like that which animates the Peace Society, although unlikely to be attained this side the Messianic era, claims

sympathy, in so far as it affords a counterpoise to extreme tendencies in the opposite direction, always too powerful. Just as the efforts of the Peace propaganda may, under Providence, promote some middle course, wherein armies, now arrayed for mutual destruction, may co-operate as an armed police—the peace officers of society at large—so may there be imagined some common system of account internationally; not a material Procrustean method of enforced uniformity between all things, in all places, and at all times; but, adopting an illustration familiar to my city friends, a sort of clearing-house method, devised to accommodate as many distinct and independent systems as practicable. What any bank of deposit is to its own customers, *inter se* might some one State bank be to other State banks.

(*To be concluded in our next.*)

### THE COUNTRY CIRCULATION.

[We have afforded a prominent position for this communication, since it has been received from an old contributor to the *Bankers' Magazine*, and discusses a question in which the majority of our readers are vitally interested.]

SIR,—Those of your readers who had not an opportunity of seeing Mr. Gilbert's paper on the working of the Bank Act of 1844, would feel grateful to you for the interesting extracts from it in your number for November last; indeed, the letters you have since printed on the subject prove that the banking, if not the general public, is alive to the fact, that the currency is still (notwithstanding all our past legislation with respect to it) one of the unsettled questions of the day.

Taking the extracts you gave from Mr. Gilbert's essay as a fair epitome of its views and spirit, will you permit me to offer some observations suggested to my mind by the perusal of them.

Mr. Gilbert has, in this essay, with his usual ability and clearness, exposed the weak points of the Act of 1844, as regards the country circulation. He has shown its inconsistencies with itself, and with the acts relating to the Scotch and Irish circulation; and he has (in the brief compass of a page or two) made so many excellent suggestions for improvements in the practical working of the currency regulations, as could only have been elaborated in a mind long experienced in the theoretical and practical knowledge of the subject. He does not, however, confine himself to an exposition of the defects of the Acts of 1844 and 1845, and to suggestions for their improvement; but he proceeds to urge, that as the charter of the Bank of England may be terminated by twelve months' notice from the Government, any time after the 1st of August next, the legislature should be pressed for a modification of the clauses affecting the country banks. Mr. Gilbert's paper, therefore, is not merely a literary essay, read before a learned society, but it suggests a course of action for those to follow who are interested in the preservation and improvement of the country circulation. It is in this light I wish to regard the essay. In allusion to the inconveniences and discrepancies of the Acts of 1844 and 1845, on which he has been commenting, Mr. Gilbert goes on to say:—"In endeavouring to re-

move these inconveniences, we would be governed by a regard to the spirit of the Act of 1844, and attempt only to remedy its practical defects." The spirit of the act means, of course, its principle, which is, that the whole circulation of the country should be regulated with reference to the foreign exchanges. Now, when Mr. Gilbart says he would be governed by a regard to the spirit of the act, and attempt only to remedy its practical defects, does he intend to concede the correctness of its principle, or merely to accept it as an established fact in the legislation of the country, against which it would now be hopeless to contend, so that the improvements he suggests should only be sought for as matters of detail, not touching the ruling principle? I presume the latter is the correct inference; for, in his present essay, he shows how the country circulation fluctuates according to laws of its own, and he contends that it should be allowed to follow these laws. He denies, therefore, the correctness of the principle of the Act of 1844, as applied to the country circulation; and although, in his present essay, he says nothing as to its application to the circulation of the Bank of England, in his pamphlet of 1849, he pointed out with great vigour and clearness many fatal defects in the principle and machinery of the act. Mr. Gilbart is thus an opponent of it, as applying both to the circulation of the Bank of England and to the country circulation. When, therefore, he says he would be governed by a regard to the principle of the Act of 1844, it can only be in the sense that he considered it firmly established; and, therefore, that it would be a waste of time and energy for its opponents to contend now for anything beyond improvements of detail—important, indeed, in themselves, but still only improvements of detail.

Now, it must be admitted that this is a sufficiently discouraging view of their position, for those who are interested in the preservation of the country circulation. It implies that the country circulation is to be considered a public evil, to be tolerated for the present as being supported by a powerful minority in Parliament, but unsound in principle, and to be got rid of by degrees, as the corn laws were abolished. This, indeed, is not Mr. Gilbart's view, but it may be taken as the view fairly implied in the concession of the principle of the Act of 1844, which Mr. Gilbart recommends. The country banking interest has been under the impression and conviction (in no small measure, through the able writings of Mr. Gilbart himself), that the principle of the country circulation being governed with reference to the foreign exchanges was thoroughly unsound. With this conviction, it would appear a suicidal policy to accept the principle they so strongly dissent from, and content themselves with asking for a few petty improvements of detail. They have seen what they may well consider the failure of the act in all its main points: thus, the country circulation, instead of rising and falling according to the fluctuations of the foreign exchanges has followed exactly its old course, rising and falling (within the limits permitted by the obnoxious act) in sympathy with the demands of the internal trade of the country; and so regular are these fluctuations, they are anticipated, allowed for, and arranged for, with



the greatest nicety beforehand by the country issuers. They know to a month, or even to a week, when their circulation will swell to its limits (as in the spring and autumn), and they know to a week when it will return to its average, whatever the state of the foreign exchanges, or the bullion in the Bank may be. But more: the country issuers have seen the circulation of the Bank of England itself (taking the Bank as a whole, without reference to its fictitious division into two departments) nearly as little influenced by the foreign exchanges as the country circulation itself—that is to say, it has often happened that, while the Bank, with its right-hand issue department, has drawn in its notes, it has, from its left-hand reserve in the banking department, given them out again, under pressure of the demands of the mercantile public. Thus, when the country circulation culminates to its highest periodical point, the country bankers are compelled to draw from London a larger amount than usual of Bank of England notes, and to throw them into circulation along with their own, in this manner forcing up the Bank of England circulation, whatever the state of the foreign exchanges may be. It is true that, at a certain extreme point, the restrictive action of the Act of 1844 suspends the advances of the Bank department, as in the autumn of 1847; but the result upon that occasion—a great public calamity—was not such as would induce the strongest advocate of the act to point to it as proof of the success of the measure.

So far, therefore, as the experience of the country issuers goes, the act has proved an elaborate failure—huge and expensive machinery, for achieving an insignificant result. In easy times, it has been found a nullity, which result may in some measure perhaps have been attributable to the unforeseen and unexpected influx of gold from California and Australia. On the other hand, in times of great mercantile pressure, the act has become a public nuisance, suspended at the very moment when its action began really to be felt.

Bearing these considerations in mind, the country issuers should surely pause and think, before they agree to concede the principle of the Act of 1844, and to cease to agitate against it, root and branch, as unsound and dangerous. If we suppose the country issuers joining in a representation to the Chancellor of the Exchequer, in which they should, with Mr. Gilbert, profess to be “governed by a regard to the spirit of the Act of 1844, and attempt only to correct its practical defects,” might not the Chancellor (an old follower of Sir Robert Peel) say, with fairness,—“I am glad to find you at last concede the principle of the Act of 1844, although you complain of its anomalies and inconsistencies. Allow me to tell you that you are responsible for these. Sir Robert Peel’s Government, which passed the act, had not the power to carry out its principle (which you now concede) in its integrity, because you, its opponents, had a strong parliamentary influence, which compelled us, although unwillingly, to consent to the passing of the act in a mutilated shape, leaving the country circulation in England, and the Irish and Scotch circulation, to exist within a still large although defined range. Had we been able to abolish those vicious local circulations, the anomalies and inconsistencies of which you com-

plain would not have arisen. Be now consistent yourselves. As you concede the principle of the act, withdraw your opposition to the abolition of the country circulation—including the Scotch and Irish: consent freely to the substitution of the notes of the Bank of England, and in this way you will get rid of the inconveniences and anomalies that so much annoy you." It cannot be denied that this would be a fair and a strong ground for the supporters of the Act of 1844 to take now, were its opponents to go to Parliament, conceding its principle, and humbly petitioning only for some relaxations of detail.

At the present time, it must be admitted that the prospects of the country issuers are not bright. In the middle of a great war, it is not likely that Parliament or people will consent to re-open the vexed currency question, except under pressure of some peculiar emergency, not yet within the range of calculation. There is no reasonable prospect, therefore, of the Government attempting at the present time to make any alteration of the Bank charter that would damage the Bank of England or lessen its influence. The Government may have much to expect from the Bank, while from the country issuers it can look for nothing; consequently it is not to be hoped for, nor would it be reasonable, that, with a European war on its hands, the Government should seek to terminate its present relations with the Bank, by giving the twelve months' notice in August next, alluded to by Mr. Gilbart in his pamphlet. Another material element against the prospects of the country issuers, is the fact, that many of the former opponents of the Act of 1844 have become accustomed and reconciled to its action, and among such are probably to be included the joint-stock banks of London. All active enmity, if not opposition, having ceased between them and the Bank of England, they in some measure have obtained the advantage of a partial monopoly, caused by the difficulties which the Act of 1844 has created in regard to the formation of new banking companies. The Royal British Bank was barely able to struggle into existence; and we have yet to see whether the new bank schemes just announced in London, under the auspices respectively of Sir Robert Carden and Sir John Shelley, will be able to overcome the obstacles the Act of 1844 throws in the way of their establishment. Were that act abrogated, and the Bank charter renewed upon terms less restrictive as regards the opposition of issuing banks, it is not improbable that many country issuing banks might open offices in London—at least to transact so much of their own business as is done for them now by their London agents. It is not likely, therefore, that the London banks, joint-stock or private, should support the views of the country issuers as against the Act of 1844.

Under these circumstances, the country issuers have to rely only upon themselves, and, unfortunately, being a scattered body, they have been little accustomed to act together; but, weak as is their position, they should beware of the fatal step of conceding the principle of the Act of 1844, and asking, on the strength of such concession, for some petty mitigations to place them on a level with the Scotch and Irish banks. It would rather appear to be their policy to maintain the reserve of

their present position and claims, which are a standing protest against the Act of 1844, so far as it regards them; and upon a further occasion, when the Government and the country are more happily situated than at present, they may be able to re-assert and re-establish their claim to issue their notes as in old times, unrestricted, except by the limits of the wants of trade, and by the liability to pay their notes in hard cash or legal tender when required.

I am, sir, your obedient servant,  
 ONE INTERESTED IN THE PRESERVATION OF THE  
 COUNTRY CIRCULATION.

*Gloucester, 13th February, 1855.*

### MERCANTILE SUSPENSIONS.

THE list of mercantile failures this month, although numerous, does not comprise London or provincial firms of any importance. The liabilities in all cases, with the exception of the American suspensions, are fortunately light, none of them exceeding from £40,000 to £50,000; which, in these days of commercial depression, is considered almost a nominal amount. The largest transatlantic stoppage is that of Messrs. Page and Bacon, but in that case there is said to be a large surplus. Messrs. Walton, Viney, and Co. wind up with the expectation of paying 20s. in the pound—the details of this balance-sheet being inserted under the head of “Failed Firms.” Messrs. Kirk and Furniss, of Liverpool, have arranged with their creditors by a composition of 4s. 6d., payable in three, six, or nine months. This firm was closely connected with the affairs of Mr. Edward Oliver.

January.—Walton, Viney, and Co., Cape and Australian trade.

“ F. Bell, East Jarrow, Tyne, chemical manufacturer.

“ Swanwick and Johnson, Manchester, calico printers.

“ Kirk and Furniss, Liverpool, general merchants.

February.—Keen, Rippen, and Co., London, warehousemen.

“ Gibson, Ord, and Co., Manchester, commission merchants.

“ Page and Bacon, St. Louis, bankers and general financial agents.

“ Pickett, M'Murdo, and Co., New Orleans, bankers.

“ A. J. Wright and Co., New Orleans, produce dealers.

“ Sweeny, Green, and Co., New Orleans, cotton factors.

“ Fellows and Co., New Orleans, dealers in cotton and tobacco.

“ G. B. Morewood and Co., New York, agents.

“ Le Mesurier and Co., Quebec, timber merchants.

### FAILED FIRMS.

At a period like the present, when the results of the principal failures are regarded with general interest, we have endeavoured, in all cases where balance-sheets have been presented, to collate them for reference, the actual figures being of greater value than the ordinary estimates. It would be of vast utility if the whole of these statements could be obtained; but, in several cases lately, strong attempts have been made to prevent their publicity.

## THE ESTATE OF MESSRS. CARTER AND CO.

A MEETING of the creditors of Messrs. Carter and Co., shipowners and brokers, who failed on the 16th of December, took place on the 14th of February, Mr. Cumming presiding, when the following statement was submitted by Mr. Quilter, the accountant :—

*Carter and Co.—Statement of Affairs, 16th of December, 1854.*

<i>Dr.—To sundry creditors unsecured,—</i>				
On current accounts .. ..	£39,698	14	8	
On underwriter's .. ..	38,470	10	1	
				<u>£78,169 4 9</u>
<i>To sundry creditors having security, viz.,—</i>				
Amount of security .. ..	27,556	15	5	
Amount of claim .. ..	19,320	7	3	
				<u>8,236 8 2</u>
Surplus per contra .. ..				
				<u>1,163 8 5</u>
Amount of claim .. ..				<u>698 2 2</u>
Amount of security .. ..				465 6 3
<i>To liabilities,—</i>				
On acceptances running, some of which have since run off and the securities held against them surrendered .. ..				
	83,336	0	2	
In respect of which claims may arise on this estate to the extent of ..				
				10,000 0 0
On indorsements .. ..	130,315	4	0	
Most of which have since run off, but claims may arise to the extent of ..				
				5,000 0 0
				<u>£93,634 11 0</u>
<i>Cr.—By sundry debtors,—</i>				
Considered good .. ..	£66,220	12	1	
Considered doubtful .. ..	2,063	0	5	
Considered bad .. ..	287	19	1	
				<u>68,571 11 7</u>
Deduct estimated losses .. ..				<u>7,071 11 7</u>
				£61,500 0 0
<i>By sundry property,—</i>				
Consisting of shares in ships, consignments outstanding, &c., £29,070 9s. 3d.—estimated at .. ..				
				26,500 0 0
<i>By surplus security in hands of creditors, viz.,—</i>				
Amount of security .. ..	27,556	15	5	
Less amount of claim .. ..	19,320	7	3	
				<u>8,236 8 2</u>
				<u>£96,236 8 2</u>
<i>By liabilities per contra, which, although forming present claims on the estate, may ultimately be made good in full</i>				
				<u>£15,000 0 0</u>

It was explained that the delay in calling the creditors together had arisen from a desire to complete certain arrangements with parties in

Liverpool, to diminish the general liabilities; and that, these having been effected, the total has been reduced at least £50,000. As the account now stands, the assets show a surplus of £3,000, after paying 20s. in the pound with interest; and this amount, it is believed, may, with management, be realised. If a debt due to the estate in Montreal be paid—the firm not having suspended, but being at present unable to make remittances through the refusal of local banks to discount—the assets will be considerably increased. With regard to the vessels possessed by Carter and Co., or those they have an interest in, it was stated that several are in the employment of the Government, at advantageous rates of freight. A final settlement of the accounts of the old house of Robert Carter and Co. has not yet been effected, but it is expected some amount will have to pass to the new firm. In answer to questions, it was mentioned that the business was lucrative, although, under recent management, it has been too rapidly extended. The conduct of all parties, including the bankers, who were secured for a large overdrawn account, is stated to have been satisfactory—slight concessions having been necessary to bring affairs within their present compass. The proposal of Carter and Co. to pay 20s. in the pound by instalments, but without security, was then brought forward. It was intimated that an attempt had been made to induce a relative to become responsible to the extent of £10,000, on the presumption that an amount almost equal would be involved in the liquidation of the old firm, but it had not proved successful. After a short conversation, it was agreed that the estate should be wound up under inspection, with the view of carrying out, in the best possible shape, the proposal made.

Annexed is a formal minute of the proceedings:—

“At a meeting of the creditors of Messrs. Carter and Co., held at the offices of Messrs. Quilter, Ball and Co., 57, Coleman-street, this 14th day of February, 1855, Mr. Cumming in the chair, Mr. Quilter read a statement of their affairs, and gave explanations respecting the same, from which it appeared that these gentlemen’s liabilities amounted to the sum of £93,634 11s. (including liabilities to the amount of £15,000, which ought to be paid by other parties), and that their assets amounted to £96,236 8s. 2d.; and he informed the meeting that they considered themselves able to pay all their creditors in full, with interest, if time were granted them, and that they proposed to pay by instalments, in the following manner: viz., 3s. 4d. in one month, 3s. 4d. in three months, 3s. 4d. in five months, 3s. 4d. in seven months, 3s. 4d. in nine months, and 3s. 4d. in twelve months, all from the 1st of March. Resolved unanimously, that the estate be wound up under the inspection of Mr. Pitcairn, for the purpose of carrying out the foregoing proposition.”

#### THE ESTATE OF MESSRS. WALTON, VINEY AND CO.

A MEETING of the creditors of Messrs. Walton, Viney and Co., whose failure in the Australian and Cape trade, with liabilities for about £40,000, took place on the 29th of January, was held on the 19th of February, when, after the consideration of a statement prepared by Messrs. Quilter, Ball and Co., it was agreed the estate should be wound up under inspection. It appears that the suspension of the firm has been necessitated through the non-remittance of proceeds of

consignments by shippers to whom advances have been made. The only partner in this country is Mr. Viney, who introduced £7,100 into the business about twelve months since. Although affairs, owing to the extended operations of the house, will prove rather complex, a favourable liquidation is anticipated, so far as the interests of the creditors are concerned. Annexed is the statement presented, showing the debts and liabilities:—

*Statement of Affairs, January 29th.*

<i>Dr.</i> —To sundry creditors unsecured .. .. .	£3,036	8	3
To creditors partially secured—			
Amount of claim .. .. .	£2,602	14	0
Estimated value of security.. ..	1,716	11	7
		886	2 5
Creditors fully secured .. .. .	£1,404	5	1
Deducted from advances to shippers, per contra.			
Liabilities on acceptances against consignments—			
Considered good .. .. .	£16,583	9	2
Considered doubtful .. .. .	7,247	8	4
Less—			
Amount estimated to be recoverable from shipments .. .. .	3,000	0	0
		4,247	8 4
Liabilities on acceptances held by creditors in excess of balance due—			
Considered good .. .. .	1,606	7	11
Liabilities on bills receivable—			
Considered good .. .. .	6,666	8	2
Considered doubtful .. .. .	597	9	8
But covered by insurances.			
		£8,169	19 0
<i>Cr.</i> —By cash in hand .. .. .	£321	4	10
By sundry debtors—			
Considered good .. .. .		291	13 7
Considered doubtful .. .. .	£58	7	2
Shares in English, Scottish, and Australian Bank, valued at .. ..		210	0 0
Advances to shippers on consignments to Australia and the Cape .. ..	12,089	16	10
Estimated to produce .. .. .	6,500	0	0
Less—			
Creditors fully assured, per contra .. ..	1,404	5	1
		5,095	14 11
		£5,918	13 4
Deduct—			
Creditors payable in full .. .. .		129	19 1
		£5,788	14 3

Walton, Bushell and Co., Cape of Good Hope, balance at their debit ..	£2,867 17 9	
Coals at the Cape, estimated at ..	5,000 0 0	
	<u>£7,867 17 9</u>	

This asset depends on the state of the Cape firm's affairs.

The following statement accounts for the present position of the firm.

<i>Dr.</i> —To liabilities as per statement of affairs .. ..	£8,169 19 0	
Partners' capital accounts, viz.—		
At credit of R. Walton ..	£5,512 10 0	
„ J. Viney, Jun. ..	7,106 16 11	
„ S. Bushell ..	5,512 10 0	
	<u>£18,131 16 11</u>	
Add amount at credit of S. Bushell's drawing account ..	1,135 9 7	
		19,267 6 6
Balance at credit of account with Constable, Bushell and Co., of Sydney .. ..		2,392 18 1
		<u>£29,830 3 7</u>
<i>Cr.</i> —By assets, as per statement of affairs .. ..	£5,788 14 3	
Walton, Bushell and Co., Cape of Good Hope, balance at their debit, and estimated value of coals at the Cape .. ..		7,867 17 9
Partners' drawing accounts—		
Balance at debit of R. Walton ..	£2,348 4 10	
„ „ J. Viney, Jun. ..	480 1 4	
		2,828 6 2
Losses by bad liabilities and advances, and difference between estimated value and cost of sundry assets, &c... ..		13,345 5 5
		<u>£29,830 3 7</u>

#### THE ESTATE OF MESSRS. ROGERS, LOWREY, HOLYLAND AND CO.

A MEETING of the creditors of Messrs. Rogers, Lowrey, Holyland and Co., warehousemen, who failed on the 18th January, was held on the 31st of January, Mr. Bennock in the chair, when it was agreed, after lengthened explanations, to accept a dividend of 15s. in the pound, in the following instalments:—5s. at three months, 4s. at five months, 3s. at seven months, and 3s. at nine months, a committee of creditors, consisting of the Chairman, and Mr. D. Evans and Mr. Tucker, being appointed, to determine the nature of the security for the last payment. The following balance-sheet, prepared by Messrs. Quilter, Ball and Co., shows that the assets of the estate are estimated at nearly 20s. in the pound, and that the losses have been principally incurred through the failure of Messrs. Home, Eagar and Co., and shipments to Australia:—

*Statement of Affairs, January 17, 1855.**Dr.—To sundry creditors,—*

On trade account .. .. £36,290 7 5

On cash .. .. £35,650 2 1

Deduct estimated  
value of lease,  
&c., held by  
Messrs. Barclay  
and Co. .. 2,500 0 033,150 2 1

To sundry creditors,— 119,440 9 6

In respect of salary accounts and  
debts under £10 each .. .. 6,644 13 2Less, estimated proportion payable  
in full, deducted per contra .. .. 5,000 0 01,644 13 2*To liabilities on bills receivable,—*

Considered good .. .. 67,909 12 4

Doubtful .. .. 6,870 1 7

Bad .. .. 3,752 2 4

*To liabilities on bills receivable,—*In respect of sales effected to Cape  
and Australian merchants .. .. 20,077 3 2In respect of goods consigned to  
the Cape and Australia .. .. 17,720 18 837,798 1 10£162,635 6 10*Cr.—By cash and bills on hand ..*

728 4 0

*By sundry debtors,—*

Considered good .. .. £29,543 14 4

Considered doubtful £3,014 7 6

Considered bad 4,373 12 8

Estimated value .. .. 3,000 0 0

On shipment account, considered  
good .. .. 4,415 6 2*By stock,—*36,959 0 6

Consisting of silks, English and

Foreign ribands, cloths, stuffs,

bandannas, shawls, haberdashery,

cambrics, muslins, &amp;c., amount-

ing, at cost value, as per stock

books, to .. .. 89,021 6 2

*By lease, fixtures, &c.,—*Held by Messrs. Barclay and Co.,  
deducted per contra .. .. 2,500 0 0*By furniture and trade utensils,—*Estimated value thereof .. .. 1,000 0 0£127,708 10 8Deduct,  
Salaries and debts under £10,  
estimated as payable in full .. ..5,000 0 0

Carried forward £122,708 10 8



Brought forward £122,708 10 8

By contingent assets,—

For the ultimate excess of dividend  
which the estates of both ac-  
ceptors and drawers may yield,  
above 20s. in the pound, in respect  
of the Cape and Australian sales,

amounting to .. ..	20,077	3	2
Do. consignments.. ..	17,720	18	8

37,798 1 10

Of which no reliable estimate can be made

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£160,506 12 6

Annexed is a formal minute of the resolutions :—

At a meeting of creditors of Messrs. Rogers, Lowrey, Holyland and Co., of Watling-street, warehousemen, holden at the Guildhall Coffee-house King-street, London, on the 31st of January, Mr. Bennock in the chair, Mr. Quilter read a statement of Messrs. Rogers, Lowrey, Holyland and Co.'s affairs, gave explanation respecting the same, and informed the meeting that Messrs. Rogers and Co. proposed to pay a composition of 15s. in the pound, by instalments of 5s. in the pound at three months, 4s. in the pound at five months, 3s. in the pound at seven months, and 3s. in the pound at nine months, and all from the 15th of February, 1855. Resolved, that such offer of compromise be accepted, but that Messrs. Rogers and Co. be required to find security for the last instalment, or a portion thereof, either in shape of a direct guarantee, or by creditors postponing the receipt of dividends until the composition be paid, or any other description of security, and, in either case, to the satisfaction of Messrs. Francis Bennock, David Evans and Henry Tucker, who are hereby appointed a committee for that purpose. Creditors holding security of other parties to accept the composition without discharging such parties, and subject to their assent being obtained when necessary; and creditors holding security on Messrs. Rogers and Co.'s own property not to prejudice such security, and to receive composition on the amount not covered by it. Promissory notes for the composition to be delivered on or before the 15th of February, or within such further time as the committee may, in writing, name, and on delivery the creditors to execute a deed of composition and release, to be approved of by Messrs. Reed, Langford and Marsden, on their behalf. The expense of such deed, and all other expenses attending the investigation and arrangement of Messrs. Rogers, Lowrey and Co.'s affairs, to be paid by them, in case the committee should be of opinion that the composition cannot be carried through the estate to be administered in bankruptcy; and the members of Messrs. Rogers and Co.'s firm are requested to sign a declaration of insolvency, and deposit the same with the Chairman, in order that it may be filed, and proceedings for obtaining adjudication in bankruptcy taken by the committee, should they think it desirable.

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THE ESTATE OF MESSRS. MOREWOOD AND ROGERS.

THE annexed circular has been issued by the trustees appointed to wind up the estate of Messrs. Morewood and Rogers, who suspended on the 3rd January, with liabilities for £180,000. A first dividend of 2s. 6d. or 5s. is expected to be paid in March, and it appears that the premises and stock, having been sold for cash to new parties, the business will be carried on as usual :—

5, Martin's-lane, Cannon-street, Jan. 27.

Dear Sir,—We beg to inform you that, by virtue of the authority placed in our hands by the creditors of Messrs. Morewood and Rogers, to wind up, as trustees, the estate of that partnership, we have proceeded in our duty as promptly as the intricate character of their extensive transactions permitted, and by our directions the lease of Dowgate Dock wharf, standing at the annual rent of £750, has been agreed to be sold for £1,000. The entire stock there (entered on their books at about £12,000) has been sold for £10,000, net, and the several patents (the principal one having but two years to run) have been sold for the sum of £5,000; the whole to highly respectable persons, for cash, to be paid on the 1st prox.; thus both realising what we considered the full value of those properties, and freeing the estate from liabilities and expenses of the heavy establishment in Upper Thames-street from that date.

Messrs. Morewood and Rogers some time since entered into an agreement for the purchase of an estate in Glamorganshire for £180,000, and paid a deposit of £25,000. The vendor has, in consideration of the sum of £2,500, allowed him for legal expenses and losses, consented to forego the forfeiture of £10,000, agreed to be paid in the event of non-completion of the purchase, and to return £22,500 on or before the 20th of March next. The vendor has also to pay for some furniture, estimated to produce from £1,000 to £1,500, and to permit a sale of some farming stock on the premises; and Messrs. Morewood and Rogers, under our direction, have signed an agreement with the vendor to carry out this arrangement.

We therefore have the pleasure to state that the first dividend of 2s. 6d. in the pound will be paid immediately after the receipt of the £22,500 on the 20th of March, and we expect, with the large balance remaining and other current receipts, that a second 2s. 6d. in the pound will almost immediately follow, if, indeed, we shall not be able to make it at the same time. We are also taking steps to realise as expeditiously as possible the other assets in this country, which stand in the books of Messrs. Morewood and Rogers at £41,000, but being to some extent consignments, and in other respects debts abroad, we will not yet estimate at more than £25,000 certain.

With respect to the stock in Australia, taken at cost price, it amounts, above all bills drawn upon it, to over £80,000, but it can only be realised by gradual means, and in the regular course of business. We have accounts by the Great Britain and by the Overland Mail up to the 23rd of November quite as satisfactory as we could expect, and no necessity had arisen to force sales without considerable profit of any portion of the stock up to that time.

The assignment must, of course, now be completed, and we shall be obliged if you will immediately send the full and precise particulars of your account against the estate to Mr. A. J. Pollock, at 16, Crooked-lane, London.

We are, dear sir, your obedient servants,

J. WALKER.  
W BIRD.

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#### PAYMENT OF CUSTOMS DUTIES.

THE annexed memorandum describes precisely the nature of the new plan, about to be introduced for the payment of Customs duties:—

“With reference to the new plan for paying Customs duties, the Bank of England are now preparing checks special in all respects, paper, ink, and printing, and so soon as ready will issue them in books to the private bankers. They, instead of giving notes and gold in ex-

change for their customers' draughts, will give one of these special checks, which will be received in the Customs treasury precisely as cash now is, and be paid into the Bank to the credit of the revenue in the usual way. To the Bank of England the thanks of the mercantile community are due for the readiness they have at all times shown to promote this desirable arrangement."

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### THE BANK OF FRANCE.

THE *Moniteur* publishes the following monthly debtor and creditor account of the Bank of France, made up to February 8th.

DEBTOR.			CREDITOR.		
	F.	C.		F.	C.
Capital of the Bank .....	91,250,000	0	Cash in hand .....	230,833,509	45
Reserve of the Bank .....	12,980,750	14	Cash in the branch banks	191,650,894	0
Reserve of the Bank in landed property .....	4,000,000	0	Commercial bills overdue	618,814	39
Bank notes in circulation	505,678,200	0	Ditto discounted, but not due, of which 68,592,122f. were received from the branch banks .....	183,268,741	56
Ditto of the branch banks	131,302,650	0	Ditto in the branch banks	187,781,828	0
Bank notes to order .....	6,153,664	11	Advanced on deposit of bullion .....	2,548,300	0
Receipts payable at sight	9,335,947	0	Do. by the branch banks	701,350	0
Treasury account current, creditor .....	121,444,689	87	Do. on French public securities .....	25,880,536	19
Sundry accounts current	126,490,997	41	Do. by the branch banks	7,405,050	0
Ditto in the branch banks	25,440,835	0	Do. on railway securities	55,693,100	0
Dividends payable .....	1,302,389	25	Do. by the branch banks	18,174,200	0
Discounts and sundry interests .....	2,610,125	85	Do. to the State in 1848	65,000,000	0
Commission on deposits ...	6,607	85	Government stock reserved	12,980,750	14
Re-discounted during the last six months .....	1,093,651	98	Ditto disposable .....	52,467,809	68
Protested bills .....	97,814	54	Hotel & furniture of the Bk.	4,000,000	0
Sundries .....	8,292,399	20	Landed property of the branch banks .....	4,692,425	0
			Expenses of the Bank ...	424,097	20
			Sundries .....	359,765	63
	1,047,480,671	15		1,047,480,671	15

Certified by the Governor of the Bank, D'ARGOUT.

It appears from these returns that the metallic reserve has increased at Paris 7 millions, and in the provinces 42½ millions. The account current at the Treasury has increased from 73 to 121 millions, evidently in consequence of the money received from the subscriptions to the loan. The whole of the metallic reserve amounts at present to 422½ millions, to 637 millions of notes in circulation.

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### INCOME TAX CHARGEABLE TO FOREIGNERS.

A LENGTHENED correspondence has just taken place on a subject of great interest, as regards the rights of foreign holders of foreign or colonial stocks, the dividends on which may be payable through agents in this country. M. Posno, of Paris, being a holder of Canadian stock, was entitled to a dividend of £150, but from this Messrs. Baring, as the agents for the Canadian Government, deducted £8 15s. for income

tax. M. Posno, through his solicitor, demanded full payment or the return of the dividend warrant, but the reply on behalf of Messrs. Baring was, that they had received notice from the Stamp-office that dividends on colonial debts payable in England to foreigners were liable to the tax. The solicitor of M. Posno rejoined by an able argument, showing that the act of parliament applicable to the case does not fairly support the extraordinary interpretation attempted to be put upon it; but, of course, Messrs. Baring could only act as they were advised, and, consequently, no remedy was obtainable. M. Posno has been recommended to endeavour to get the case brought before the law courts on a simple statement of the pleas on both sides, and also to lay the entire matter before the French Minister for Foreign Affairs. It has likewise been suggested that he should seek some of the numerous other foreigners holding foreign or colonial stocks payable in England, in order that the expense and trouble which would deter individuals from pushing the question to a trial should not operate as an obstacle. It seems a grave evil, however, that, owing to the indifference of Government, whenever they consider themselves supported by an act of parliament, private individuals and foreigners should often be forced to submit to what they conceive to be injustice, or to encounter the loss of time and money consequent upon the proceedings they are thus compelled to take.

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#### STOLEN BANK OF ENGLAND NOTES.

AN action of considerable importance was tried in the Court of Queen's Bench on the 22nd of January. The question involved was the right of money-changers to take Bank of England notes in disregard of notices that they had been stolen. The action was brought by Messrs. Adam Spielmann and Co., of London, as correspondents of Messrs. Meyer Spielmann and Co., of Paris, to recover the amount of two Bank of England notes for £500 each, which had formed portions of notes, for the value in all of £3,000, stolen from Messrs. Brown, Shipley and Co., of Liverpool. The notes were stolen in November, 1852, and it was proved that notices of the robbery were delivered at the places of business of both firms. One of the notes was alleged to have been received by Meyer Spielmann and Co., in Paris, from a person giving the name of G. F. Howard, and the other from A. Monteaux, a money-changer in Paris, which note also had the name of G. F. Howard upon it. Both notes were remitted by Messrs. Meyer Spielmann and Co. to Messrs. Adam Spielmann and Co., and received by them in London on the 17th of June last. On behalf of the plaintiff it was contended that, the notes having been taken in the ordinary course of business, he was entitled to recover upon them. Lord Campbell left to the jury the question whether Meyer Spielmann took the notes *bonâ fide* and for value; whether Adam Spielmann received them *bonâ fide* as a remittance; and whether the notices were left at the places of business of both parties. The jury found that Meyer Spielmann and Co. did

not take the notes *bonâ fide* for value; that Adam Spielmann and Co. did take them *bonâ fide* as a remittance; and that the notices were duly received. Upon this finding, Lord Campbell directed a verdict to be entered for the Bank of England. It is hoped that this decision will have the effect of preventing the practice, which has become too common, of taking stolen notes, which cannot be passed in England, to the chief cities of Europe, and there obtaining the amount through money-changers, who afterwards claim the value from the Bank, on the ground that the notes have been taken in due course of business, although, in fact, no sufficient inquiry has been made as to the *bona fides* of the transaction, or the respectability of the party presenting them.

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## Legal Miscellany.

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IN RE W. CROLE, JUN.

*Court of Bankruptcy, Basinghall-street, December 8. (Before Mr. Commissioner FONBLANQUE.)*

THE bankrupt was a merchant in Rood-lane. This was an adjourned examination meeting. Mr. Waller appeared for the assignees, Mr. Plews for the bankrupt. The bankrupt deposed that his accounts now filed were correct. He had received at various times, from the Oriental Bank, sums of money. There had been entries made in his books on various occasions, of less amount than he had received from the bank. The total difference was £530. This was done in order that his personal expenditure might appear less. A similar course had been pursued in respect to dealings with a Mr. Dickson. These inaccuracies in the books had been continuous.

Mr. Waller urged that, however the Court was disposed to regard with the eye of mercy, penitence on the part of a bankrupt, this was a case to which no favour or indulgence could be shown. The falsifying of books had been continuous, and there had been gross fraud upon creditors. For what the creditors knew, the bankrupt might now have thousands of pounds in his possession. He and his father had been nothing more than licensed hawkers, earning a few shillings a-week. The father had been bankrupt as well as insolvent, notwithstanding which, the son had lent him £320 on bills extending over six years. The bankrupt had inserted in a Manchester newspaper, an advertisement that a commission house in town, having an agency from a firm in high repute in Calcutta, was desirous to receive consignments. Messrs. Keith and Co., and others, had made consignments through him in consequence, receiving advances of 75 per cent. The bankrupt had, by means of drafts upon Messrs. Birkinyoung and Co., and the deposit of bills of lading, obtained advances from the Oriental Bank, to the full value of the goods so obtained. He had thus been able to carry on transactions of great magnitude, and to perpetrate great, gross and deliberate frauds upon his creditors. The rubbish that had been passed by the bankrupt into the hands of the official assignee, in the shape of assets, was without a parallel. It included sham vinegar, in which there was nothing more than a particle of some sort of acid, and some shares and claims upon alleged persons, whose residences could not be ascertained. He strongly pressed upon the Court, in a case like this, where there had been such gross falsification of books, and con-

seizure of property, to leave the bankrupt at once in the power of his creditors.

Mr. Plews, while admitting that the bankrupt had been guilty of manifest ignorance and folly, contended that his conduct as a trader should be adjudicated upon at the certificate meeting.

His Honour said, that where there had been a continuation of falsifying books, the only course the Court must take, was to adjourn the meeting *sine die*, and also to refuse to grant protection. He would also observe, that the Court would never grant any indulgence to traders who gave the property of creditors to relations, on long-dated bills.

A certificate of execution, under the provisions of the act, was granted.

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## Bank Meetings.

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### LONDON AND COUNTY JOINT-STOCK BANK.

THE annual general meeting of the proprietors of this bank was held on the 1st of February, at the London Tavern, for the purpose of receiving the directors' report for 1854, for declaring a dividend, and for the transaction of other business. Mr. John Sadleir, M.P., chairman of the board of directors, presided.

Mr. H. Luard, the general manager, read the report, of which the following are the principal paragraphs:—

"The directors have much pleasure in presenting their report to the proprietors for the half-year ending the 31st of December, 1854. It will be seen by the balance-sheet, signed by the auditors, that the net profit of the bank for the past half-year, after making ample provision for bad and doubtful debts, amounts to £30,870 3s. 7d., which, with £12,945 19s. 7d., brought forward as a surplus on the half-year ending 30th June, will make a total of £43,816 3s. 2d. The directors recommend that a dividend at the usual rate of 3 per cent. for the half-year ending 31st December, 1854, and a bonus of 6 per cent. (equal to a dividend of 12 per cent. on the year), both free from income tax, should be now declared; this, if approved by the proprietors, will leave the sum of £7,864 0s. 11d., of which the directors recommend that the sum of £478 11s. 2d., being 1 per cent. on the year's dividend, should be placed to the credit of the 'Sadleir Provident Fund,' and the balance of £7,385 9s. 9d. be carried to the credit of the 'Guarantee Fund,' which will then amount to £69,056 15s. 5d. After the most careful consideration of the question, the directors have come to the conclusion that the time has now arrived when, by an increase of the paid-up capital of the bank to half-a-million sterling, great advantages can be secured to the proprietors. To former measures of this character, the directors have to attribute much of that prosperity which the bank now enjoys; and therefore, with the utmost confidence, they beg to recommend to the proprietors a further increase of the paid-up capital of the bank. Should it meet with the approval of the proprietors, the directors would propose to carry out the arrangement by the issue of 5,000 additional shares, to be distributed among the proprietors as they shall appear in the 'Shareholders' Register' of the bank upon the 1st of March next; such shares to be issued at the price of £27 10s., to be paid by instalments extending over two years, the details of which will be immediately transmitted by circular to each proprietor. One of the beneficial results of this measure will be, to enable the directors to increase the 'Guarantee Fund' to the sum of £100,000—thus attaining at once a most decisive epoch in the progress of the bank—and it will also place the directors in a position to present a donation of

10 per cent. to the officers of the bank, upon their respective salaries—a mark of consideration to which those gentlemen, as a body, are eminently entitled, by their exemplary conduct and devotion to the interests of the establishment. The directors congratulate the proprietors on the admission of joint-stock banks to the Clearing House, and they have great pleasure in the assurance that the change has proved generally beneficial.

*Balance-sheet of the London and County Banking Company, Dec. 31, 1854.*

<i>Dr.</i> —To capital .. .. .	£399,895	0	0
Reserved fund .. .. .	61,671	5	8
Customers' balances, &c.. ..	3,779,944	14	7
Net profit for the half-year, after payment of £24,680 11s. 1d. for interest to customers ..	30,870	3	7
Ditto brought forward from last account ..	12,945	19	7
	<u>£4,285,327</u>	<u>3</u>	<u>5</u>
<i>Cr.</i> —By cash in hand and at call, Government and other securities, discounted bills, &c. ..	£4,255,636	7	1
Bank premises, freehold and leasehold, trade fix- tures, &c. .. .. .	29,690	16	4
	<u>£4,285,327</u>	<u>3</u>	<u>5</u>

*Profit and Loss Account.*

<i>Dr.</i> —To half-year's dividend, at 6 per cent. per annum ..	£11,984	0	9
Bonus at 6 per cent. .. .. .	23,968	1	6
Provident fund .. .. .	478	11	2
Balance carried to guarantee fund .. ..	7,385	9	9
	<u>£43,816</u>	<u>3</u>	<u>2</u>
<i>Cr.</i> —By balance from last account. . . .	£12,945	19	7
Net profit for the half-year .. .. .	30,870	3	7
	<u>£43,816</u>	<u>3</u>	<u>2</u>

The Chairman said that the document which had been presented was the eighteenth annual report of the directors to the shareholders, and upon that report the directors had every confidence in asking the decision of the shareholders. Before, however, he submitted that formal motion, he felt bound to make a few general observations on the financial position of the company. On behalf of his colleagues and of himself, he would say, that they had always considered it of last importance to the prosperity and character of the bank that they should never submit to the consideration of the proprietors any proposition which did not fully merit their confidence, and which was not likely to receive the sanction of their approval. With that view, the directors had considered, with great care, the financial propositions which they had, of late years, felt it to be their duty to bring before the general body of shareholders; and they were gratified to find that these propositions had invariably received the proprietors' assent, had been sustained by their co-operation and approval, and had all been crowned with complete success. (Hear, hear.) The directors had, every year, the good fortune to lay before the proprietors an improved state of their financial condition, some new

element of prosperity, and some new sources upon which they might be congratulated; but, upon no previous occasion had so satisfactory a report been presented as that which had been submitted that day. (Hear, hear.) He (the chairman) did not at all wish to convey to the proprietors that the establishment had reached the limits that ought to bound its commercial expanse; for, in some cases, the directors had not yet planted the seed from which they had a right to expect an abundant harvest. The bank had not recovered the ground lost in less propitious times; but this he might say, that, not very long since, the guarantee fund amounted to only £25,000, whereas now it amounted to close upon £70,000, and that had been done without calling upon the proprietors to make any sacrifices; for, during the time the accumulation was taking place, the bank had paid large dividends and large bonuses. (Hear, hear.) The directors had no misgivings or doubts as to the practicability of the arrangements proposed in the report, which, if agreed to, would be of great advantage to every individual proprietor. (Hear, hear.) The proprietors would see that, whilst the shares of the bank were worth £36 10s. each in the market, the directors proposed that 5,000 shares should be distributed amongst the proprietors at £27 10s. each—an arrangement which would give a great bonus to the proprietors; for, when the proceedings of that day became known to the public, the shares would become greatly increased in value. The directors proposed that the new shares should be issued in the proportion of one new to four old shares, according to the shares on the register on the 4th of March next. The directors were strongly of opinion, that if the measure they recommended were adopted, it would be attended with complete success, and would place the shares of the bank at that standard of value which they had a right to demand. He begged to move the adoption of the report.

Mr. John Wheelton, the deputy chairman, seconded the motion, which was unanimously agreed to.

The Chairman then proposed—"That a dividend at the rate of 6 per cent. per annum be declared upon the capital stock of the company, for the half-year ending the 31st December, 1854, together with a bonus of 6 per cent., both clear of income tax, payable on and after the 12th February instant."

Mr. Wheelton seconded the resolution, which was agreed to.

The third resolution, which was agreed to, was—"That the balance of £7,684 0s. 11d. remaining to the credit of the profit and loss account be appropriated as follows:—£471 11s. 2d. to the officers' provident fund, and £7,385 9s. 9d. to the guarantee fund."

Mr. J. A. Durham, Mr. J. L. Anderdon, and Mr. J. Sadleir, M.P., the retiring directors, were re-elected.

On the motion of the Rev. Edward Johnstone, M.A., vicar of Hampton, seconded by Mr. Donald Stuart, a vote of thanks was unanimously accorded to the chairman and directors; and the compliment having been duly acknowledged, the meeting separated.

### THE ROYAL BRITISH BANK.

THE annual general meeting of the proprietors of this Bank was held at their banking-house in the Strand, on the 2nd of February, to receive the report and abstract balance-sheet of the bank for the year ended on the 31st December last, a declaration of dividend for the last half-year, and to appoint auditors and directors for the ensuing year. Mr. Charles Walton, the governor for the past year, occupied the chair.

Mr. Paddison, the solicitor of the bank, in the absence from illness of Mr. Cameron, the general manager, read the report of the directors for the last year, and accompanying statement of accounts, as follows;—



"The directors, in submitting their fifth annual report, announce a dividend at the rate of 6 per cent. per annum, and interest at the same rate on the scrip for new shares. The new shares would have been issued before, but from various official delays. The directors are, however, now entitled to state that the supplemental charter having passed the Board of Trade, and being approved by the Lord Chancellor, it only awaits the Great Seal. This final formality, it is expected, will be accomplished before the 19th inst. The terms, as finally arranged, are considered satisfactory. They empower the directors to add £500,000 to the present capital of £100,000, and that at such times, and from time to time, and in such sums as the directors may think fit, provided that no publication or advertisement (except what is required by the statute) be made of any such addition until its subscribed amount be £10,000, and £5,000 be paid up. The unexhausted powers of the original charter remain, and may be employed when it becomes expedient to increase the capital beyond the £600,000. Up to a certain point, which the directors for the present propose fixing at £300,000, the new shares will be issued at par; but, after the above amount has been obtained, the directors propose issuing no more new shares, except at a premium, for the benefit of the reserved fund, which is now £12,591 19s. 8d., being slightly in excess of 25 per cent. of the original paid-up capital. As heretofore, the customers of the bank receive a large proportion of the profits of the establishment in the shape of interest on their accounts, the amount for the past year being £25,610 16s. 7d. against £19,485 9s. 11d. for the previous year. The usual addition has been made to the clerks' fund which now amounts to £1,446 18s. 5d. A sum of £778 19s. 1d. has been set apart for liquidation of preliminary expenses, &c., for the year 1854.

*Royal British Bank.—Annual Balance Sheet,*

LIABILITIES.		
<i>Dr.</i> —To commencing capital, one-half paid up .. ..	£100,000	0 0
Amount due by the bank for deposits on account of new shares .. .. .	£46,170	0 0
Deposits for fixed periods, and floating balances on drawing accounts, &c. .. ..	853,581	1 8
		899,751 1 8
Amount due on the promissory notes or bills of the bank payable to order, and acceptances for customers current .. .. .		23,113 1 1
Clerks' fund .. .. .		1,446 18 5
Reserved fund, as at 31st of December, 1853, as per report for fourth year ..	£10,766	6 11
Dividend thereon .. .. .	149	18 9
	£10,916	5 8
Unappropriated balance at do.	3,142	15 5
Gross balance for the year ended the 31st of December, 1854, after providing for interest (£25,610 16s. 7d.), paid and due on deposits, promissory notes, and balances .. ..	24,312	12 2
		38,371 13 3
		£1,062,682 14 5

# Bank Meetings.

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## ASSETS.

Cr.—By uncalled-for stock . . . . .	£50,000	0	0
Loans on convertible securities for short periods, advances on cash credit accounts, bills discounted, &c. . . . .	804,798	16	7
Balance of preliminary expenses, including cost of charter, and of establishing the bank and its five branches, to be liquidated by yearly instalments . . . . .	14,804	13	11
Property of the bank in buildings and furniture..	13,950	7	5
Investments in Government stocks and cash in bank .. .. .	174,128	16	6
	<u>£1,062,682</u>	<u>14</u>	<u>5</u>

## Profit and Loss Account.

Dr.—To expenditure of the bank, for the year ended 31st December, 1854, at its chief office and five branches . . . . .	£17,586	15	6
Amount voted to directors at annual meeting, the 3rd of February, 1854 .. .. .	2,000	0	0
Amount set apart for liquidation of preliminary expenses, and cost of premises for year 1854	778	19	1
Dividend (free of income-tax), at 6 per cent. per annum, for half-year ended the 30th of June, 1854, already paid £1,500 0 0			
Ditto for half-year ended the 31st of December, 1854, at 6 per cent. per annum ..	1,500	0	0
	<u>3,000</u>	<u>0</u>	<u>0</u>
Reserved fund, as at the 31st of December, 1853, and dividend thereon .. .. .	£10,916	5	8
Addition thereto .. .. .	1,500	0	0
Dividends thereon .. .. .	175	14	0
	<u>12,591</u>	<u>19</u>	<u>8</u>
Reserved fund, as at the 31st of December, 1854 .. .. .	£12,591	19	8
Unappropriated balance, carried to new account .. .. .	2,413	19	0
	<u>15,005</u>	<u>18</u>	<u>8</u>
	<u>£38,371</u>	<u>13</u>	<u>3</u>
Cr.—By Gross balance, as above, brought down .. ..	£38,371	13	3
Reserved fund and unappropriated balance, as above, brought down .. .. .	£15,005	18	8

Mr. Gillott, in moving the adoption of the report, congratulated the meeting on the removal of the impediments which had long been thrown in the way of their obtaining a supplemental charter, by which they would be enabled to increase their commencing capital from £100,000, as fixed by the original

charter, to £600,000. Some of the shareholders might have thought that a larger dividend would have been allotted to them this year; but, for his part, he thought that small dividends were the safest to declare at the outset of an important trading concern, as they might now consider this to be. (Hear, hear.)

The motion for the adoption of the report, having been seconded, was carried unanimously.

The meeting then proceeded to fill up the vacancy caused in the direction by the death of Mr. Rushton, on whom the Chairman passed an eulogium for his ability and integrity, and the great services he had rendered to the bank from time to time.

On the motion of Mr. W. S. Owen, Mr. Alderman Kennedy was unanimously elected a member of the board of directors in the place of Mr. Rushton.

Mr. Alderman Kennedy, in acknowledging the compliment, said he was one of the original parties by whom the bank had been established. Afterwards, circumstances for a time withdrew him from its service, but he now returned to it, and he did so with the earnest intention of devoting himself to the work, and of seeking to promote the interests of the shareholders as well as his own. (Hear, hear.) His friend Mr. Gillott had remarked that some of the shareholders might labour under the delusion that a greater dividend might have been allotted to them. But they must look first to the amount of capital with which they were working—£50,000—which, for a London bank, was something next to ridiculous. That had acted as an impediment to every step they had taken to advance the interests and the operations of the company. (Hear, hear.) In that respect, instead of finding Sir Robert Peel's bill a joint-stock banking bill, as it was called, they had found it a joint-stock bank prevention bill. Even now, although it was so far back as July last that the Board of Trade, after a needlessly long delay, conceded them the power to increase their capital *gradatim*, they had not yet received from that Board the necessary documents to enable them to do it. When, however, they did receive those documents, they would have the power of greatly increasing their capital, which would have the effect of increasing their business and their profits, and he hoped in due time, their dividends also. (Hear, hear.)

Mr. Archibald Spens was then unanimously elected a director in the place of Mr. James Baring, who retired by rotation, as was also Mr. Owen, in the stead of Mr. Charles Walton, who retired in the same way.

On the motion of Mr. Gillott, the usual allowance of £2,000 was unanimously voted to the court of directors for their services during the past year.

Mr. Thomas Chandler and Mr. Thomas Page were re-elected auditors.

Some conversation, originating with Mr. C. B. Kelham ensued, as to the desirability of obtaining more eligible head-quarters for the bank than the present building in Tokenhouse-yard, the result being that the meeting was of opinion that at present it would not be prudent to remove from that locality.

A dividend of 6 per cent., free of income tax, was declared; as was also interest at the same rate on the scrip for new shares.

A vote of thanks to the Chairman terminated the proceedings.

## WEST OF ENGLAND AND SOUTH WALES DISTRICT BANK.

THE twentieth annual meeting of the proprietors of this bank was held at the company's banking-house, Bristol, on Friday, the 19th of January, Mr. P. Jones in the chair, when the following report was adopted:—

"The business of the bank, since the last annual meeting, has continued to increase, and your directors are enabled to lay before you a satisfactory statement of the profits of the year. At the last annual meeting, your directors

informed you that, as your present premises had been found to be too small for the increased business of the company, they had contracted to purchase the freehold premises, situated in the centre of the city, opposite the Exchange, and formerly known as the Bush Hotel, and that they had thought it right to make a provision out of the profits of the year, to meet a portion of the outlay attendant on the building. They have now to inform you that the purchase has been completed, and the building has been commenced, and the erection of it is rapidly progressing; they have, therefore, thought it right to make a further provision out of the profits of the present year. In October last, the directors opened a branch in Swansea, and they have every reason to be satisfied with the business they have already obtained, and the prospects before them. Since the last annual meeting, a vacancy has occurred in the direction, caused by the death of Mr. Thomas Reynolds, who for so many years had been connected with the bank, and who was respected and is regretted by all who knew him. In accordance with the provisions of the deed of settlement, the vacancy has been filled up by the board, who have appointed Mr. Oliver Coathupe as his successor. A dividend has been paid for the half-year ended the 30th June last, at the rate of £8 per cent. per annum, free of income tax; and your directors now declare a dividend at the same rate for the half-year ended the 31st December, and a bonus of 5s. per share, being at the rate of £2 per cent.—both dividend and bonus free of income tax. After paying these dividends and the bonus, the charges of management, the income tax for the year, and making due provision for all bad and doubtful debts, and providing further towards meeting the expenditure on the new bank building, there remains the sum of £12,324 18s. 11d. to be carried to the credit of the reserve fund."

*The Statement of the Annual Account is as follows:—*

The amount of undivided profit standing at the credit of the reserved fund, on the 31st of December, 1853,					
as per last annual report	..	..	..	..	£59,168 5 7
Net profit of the year, after payment of the charge of management, and the income tax, and making due provision for all bad and doubtful debts, and a provision against the expenses now being incurred in building bank premises in Bristol	..	..	..	..	£49,744 18 11
Half-yearly dividend, at the rate of £8 per cent. per annum, to the 30th of June, 1854	..	..	..	..	£14,968 0 0
Half-yearly dividend, at the rate of £8 per cent. per annum, to the 31st December, 1854	..	..	..	..	14,968 0 0
Bonus of 5s. per share, being at the rate of £2 per cent.	..	..	..	..	7,484 0 0
					<hr/>
					37,420 0 0
					<hr/>
					12,324 18 11
Leaving at the credit of reserve fund	..				<hr/>
					£71,493 4 6

Under these favourable circumstances, your directors have thought it right to make a further issue of the unappropriated shares of the company, and

they have accordingly made an allotment of new shares, at par, to the proprietors of the bank, at the 31st ult., in the proportion of one new share for every three shares then held.

The subject of Mr. Bates's services, as general manager to the bank, having been brought under the notice of the meeting by a shareholder, it was proposed and seconded, and unanimously resolved—"That the sum of two hundred guineas be placed at the disposal of the directors, to be applied in the way most agreeable to Mr. Bates, as a mark of the proprietors' sense of his valuable services."

#### NORTHAMPTONSHIRE UNION BANK.

THE annual general meeting of the shareholders in this bank was held at the George Hotel, Northampton, on Thursday, February 1st, 1855. The auditors' report stated the profits of the past year to be £26,961 17s. 9d., which were divided in the following manner:—

Two dividends of 8s. each per share	..	..	£21,200	0	0
Bonus of 2s. per share	..	..	2,650	0	0
Income tax	..	..	1,603	1	2
Added to guarantee fund	..	..	1,303	2	6
Surplus carried to next year's account	..	..	205	14	1
			<hr/> £26,961 17 9 <hr/>		

The guarantee fund had been increased during the year £2,646 6s. 11d., making it £53,438 13s. 6d., which consists of £50,000, 3 per cent. consols, and the bank premises.

#### BANK OF LIVERPOOL.

THE directors of the Bank of Liverpool have given notice to the proprietors, that they have declared a half-yearly dividend, at the rate of £8 per cent. per annum, on the increased paid-up capital of the company (being 10s. per share), from the 1st of July to the 31st December, 1854; and that such dividend is payable at the bank of the company, in Water-street, between the hours of ten and three on each day.

#### PAIRES'S LEICESTERSHIRE BANKING COMPANY.

THE nineteenth general annual meeting of the proprietors of this bank was held at Leicester, on Wednesday the 7th February, Sir Frederick William Heygate, Bart., in the chair, when the following report was adopted:—

"It is with much satisfaction that the directors again meet the proprietors at the close of another year of the transactions of the company. The transition from a long continued peace to a state of war (with the changes it has involved) has naturally brought upon your directors increased care and anxiety. They are happy however to announce that notwithstanding this, and several local failures, the interests of the proprietors have not suffered. The profits of the bank, after deducting expenses and losses, and making an ample allowance for doubtful debts, amount to the sum of £20,806 1s. 4d. out of which the proprietors have already received a dividend of 11s. per share, amounting to the sum of £7,425, and the directors recommend the payment of a like dividend of 11s. and a bonus of 4s. per share, together amounting to £10,125 (deducting the income tax), and after allowing £1,136 19s. 6d. for interest on the reserved fund, there will remain a balance of £2,119 1s. 10d. which the directors propose should be carried forward to the profits of the present

year. The reserved fund amounted at the last report to the sum of £37,899 6s. 7d.; add interest at three per cent. £1,136 19s. 6d.; making a total of £39,036 6s. 1d. The paid up capital of the bank is £148,500, and together with the reserved fund amounts to the sum of £187,536 6s. 1d. The proprietors will observe that the directors are proposing to carry a smaller proportion of the profits of the year to the reserved fund than heretofore; this course is adopted by your directors after full and deliberate consideration, the capital of the bank being in their opinion as large as is now desirable. The thanks of the meeting were given to Mr. Billson and all the officers of the establishment for their efficient services.

### THE LEICESTERSHIRE BANKING COMPANY.

THE twenty-fifth annual general meeting of the shareholders of this bank was held at Leicester on the 13th of February, Mr. S. S. Bankart in the chair, when the following report was adopted:—

The directors, in presenting to the proprietors the two half-yearly balance sheets, have to report that the net profit of the bank for the past year (after providing for bad debts) amounts to £18,836 15s. 8d., in which sum is included £1,289 5s. 10d. for interest on the guarantee fund. The directors paid a dividend for the half-year ending the 30th of June of £1 per share, and now recommend that the same dividend be paid for the half-year ending the 31st of December, being 10 per cent. on the paid up capital: they also recommend the payment of a bonus of 10s. per share, and that the bonus, as well as the dividend, be free from income tax; there will then remain £4,391 4s. 10d. to be added to the guarantee fund, which will stand thus:—

Balance, January 1st, 1854	..	..	..	£42,658	0	2
One year's interest, at 3 per cent.	..	..	..	1,289	5	10
Residue of profit	..	..	..	4,391	4	10
				<u>£48,338</u>	<u>10</u>	<u>10</u>

And the profit and loss account thus:—

*Dr.*—To dividend paid to the shareholders for the half-year ending the 30th of June, 1854

..	..	£5,000	0	0
Ditto ending the 31st of December	..	5,000	0	0
Bonus of 10s. per share	..	2,500	0	0
Income tax on the above	..	656	5	0
Interest on guarantee fund	..	1,289	5	10
Balance..	..	4,391	4	10
		<u>£18,836</u>	<u>15</u>	<u>8</u>

*Cr.*—By net profit for the year 1854 .. .. . £18,836 15 8

Paid-up capital	..	..	£100,000	0	0
Guarantee fund	..	..	48,338	10	10
			<u>£148,338</u>	<u>10</u>	<u>10</u>

The report having been carried, it was resolved that the directors be authorised to declare and pay a dividend of £1 per share, for the half-year ending the 31st of December, in addition to £1 per share paid to the shareholders, for the half-year ending the 30th of June, free from income tax, and that the further sum of £2,500 be appropriated to the payment of a bonus, being 10s.

per share, also free from income tax, and that the residue, viz.—£4,391 4s. 10d. be added to the guarantee fund. Votes of thanks were then passed to Mr. Kinton, the manager, and the other officers of the establishment.

### BILSTON DISTRICT BANKING COMPANY.

THE eighteenth annual meeting of the proprietors of this bank was held at Wolverhampton, on the 6th of February, Mr. Thomas Perry in the chair, when the following report was presented:—

“Your directors have audited the accounts of the bank to the 31st December last; and the profit for the year, after making ample provision for every bad debt, is £3,579 9s. 4d. The usual dividend for the first half of the year has been paid; 3 per cent. upon the guarantee fund of the last year has been added thereto, and £2,226 18s. 8d. is at the disposal of this meeting. You are recommended to declare a dividend of 4 per cent. for the half-year ending 31st December, and to place the surplus to the guarantee fund.”

#### *Statements of the Profit and Guarantee Fund, with the surplus appropriated as proposed.*

Dividend of 3½ per cent. already paid .. ..	£1,063	2	6
Dividend of 4 per cent. .. ..	1,215	0	0
Interest upon guarantee fund .. ..	289	8	2
Surplus .. ..	1,011	18	8
Profit .. ..	£3,579	9	4
Guarantee fund, 1853 .. ..	£9,647	0	11
Interest at 3 per cent. .. ..	£289	8	2
Surplus profit .. ..	1,011	18	8
		1,301	6 10
Present guarantee fund .. ..	£10,948	7	9

It was then resolved unanimously—“That the report now read be received and approved, and that a dividend of 4 per cent. be declared payable at the bank on the 1st of March. The proceedings concluded with the thanks of the proprietors to the manager, for past services.”

### CARLISLE CITY AND DISTRICT BANK.

THE eighteenth annual general meeting of this company was held on 13th February, 1855, Mr. W. Stordy in the chair, when the following report of the directors was submitted to the shareholders, and unanimously adopted:—“Report of the directors of the Carlisle City and District Banking Company to the eighteenth annual general meeting of the shareholders, held on the 13th day of February, 1855.

“The balance-sheets now laid before the meeting show the net business profits of the year to amount to £10,313 9s. 8d., being at the rate of £17 15s. 8d. per cent. per annum on the paid-up capital. A dividend at the rate of 5 per cent., together with a bonus of 2½ per cent., having been paid for the half-year ending 30th June last, the directors now recommend the same rate of dividend, with a similar bonus, to be declared for the last half-year ending 31st December (amounting together to 15 per cent. per annum), leaving a sum of £1,882 14s. 10d. in the auxiliary fund, subject to the

deduction of one half-year's income tax; and leaving a completed rest or guarantee fund as before of £19,333 6s. 8d., being equal to one-third of the paid-up capital. Mr. John Wakefield, honorary director, and Messrs. William Sowerby, George Relf, Thomas Clarke, and Robert Benson, ordinary directors, retire from office, in accordance with the eighth clause of the deed of settlement, but are eligible for re-election. The directors are happy to report that no bad debt has been sustained during the past year; and that, after their usual thorough investigation, they have reason to congratulate the shareholders, not only on the sound position of the entire establishment, but on its extended business and growing prosperity."

The report of the auditors (Messrs. Hannah, Halton, and Irving), confirming the balance-sheets, was also read and adopted. A dividend of 5 per cent. was declared for the last half-year, and also a bonus of 2½ per cent., both payable, free of income tax, on the 22nd February. The retiring directors were unanimously re-elected; and thanks were voted to the directors, Mr. Davidson, the manager, and other officers of the bank.

*Profit and Loss, and Auxiliary Fund.*

Dr.—To property and income tax, &c., paid .. ..	£204	1	10
Dividend to 30th June, 1854 .. ..	2,900	0	0
Bonus 30th June, 1854 .. ..	1,450	0	0
Dividend to 31st December, 1854 .. ..	2,900	0	0
Bonus now declared .. ..	1,450	0	0
Auxiliary fund for balance .. ..	1,882	14	10
	£10,786	16	8

Cr.—By balance of auxiliary fund on 14th February, 1854	£454	16	0
Net Profits, 30th June, 1854 .. ..	5,247	12	2
Ditto, 31st December, 1854 .. ..	5,065	17	6
Fees of transfer, &c., received .. ..	18	11	0
	£10,786	16	8

By undivided profits as under:—

Guarantee fund .. ..	£19,333	6	8
Auxiliary fund .. ..	1,882	14	10
	£21,216	1	6

**BANK OF BOMBAY.**

NOTICE has been given, that a dividend, for the half-year ending 30th December, of rupees thirty-seven, annas eight, per share, being at the rate of 7½ per cent. per annum on the capital stock of the bank, to be paid on and after Thursday the 11th of January.

*Statement of the Affairs of the Bank of Bombay on the 30th December, 1854.*

LIABILITIES.			
To Proprietors' capital .. ..	Rs. 52,25,000	0	0
Bank notes and post bills in circulation ..	52,41,820	5	3
Deposits and all other liabilities .. ..	21,23,760	11	1
Reserved surplus fund, including net profit for the half-year .. ..	2,38,276	11	0
	Rs. 128,28,857	11	4



*Bank Meetings.***ASSETS.**

By Government securities .. .. .	Ra. 35,95,697	0	0
Loans and cash credit accounts on deposit of securities .. .. .	44,49,499	14	0
Bills discounted .. .. .	19,86,710	1	2
Other securities .. .. .	1,75,968	4	0
Cash on hand and in transit .. .. .	26,20,982	8	2
	<u>Ra. 128,28,857</u>	<u>11</u>	<u>4</u>

*Profit and Loss Account for 1854.*

To six months' dividend on the capital stock at the rate of 6 per cent. per annum, paid 12th July, 1854 .. .. .	1,56,750	0	0
Six months' dividend, at the rate of 7½ per cent. per annum, payable on the 11th inst. .. .. .	1,95,937	8	0
Balance of reserved surplus fund .. .. .	42,339	3	0
	<u>Ra. 3,95,026</u>	<u>11</u>	<u>0</u>
By balance of reserved surplus fund on the 31st December, 1853 .. .. .	37,122	3	4
Net profit of the year ending 30th December, 1854, after paying all the current expenses of the bank .. .. .	3,57,904	7	8
	<u>Ra. 3,95,026</u>	<u>11</u>	<u>0</u>

**BANK OF MADRAS.***Statement of the Affairs of the Bank of Madras, at 31st December, 1854.***ASSETS.**

Government Securities .. .. .	Ra. 4,98,277	12	6
Cash credits on deposit of Government securities .. .. .	5,81,943	9	7
Loans ditto ditto .. .. .	20,31,470	11	10
Government bills discounted .. .. .	1,68,781	7	1
Private ditto .. .. .	8,25,381	0	8
Bank of Bengal .. .. .	41,842	9	0
Bank of Bombay .. .. .	2,045	7	9
Dead stock .. .. .	25,639	0	5
Balance of cash on hand .. .. .	27,32,064	5	0
	<u>Ra. 69,07,445</u>	<u>15</u>	<u>10</u>

**LIABILITIES.**

Bank notes and post bills in circulation .. .. .	Ra. 17,47,590	0	0
Deposits .. .. .	20,66,769	2	6
Proprietors' capital .. .. .	30,00,000	0	0
Reserved fund and profits for half-year ended .. .. .	93,086	13	4
	<u>Ra. 69,07,445</u>	<u>15</u>	<u>10</u>

Reserved fund .. ..	Rs. 19,430	6	7
Net profit for half-year .. ..	73,656	6	9
	Rs. 93,086	13	4
Dividend at 5 per cent. per annum .. ..	Rs. 75,000	0	0
Balance of reserved fund .. ..	18,086	13	4
	Rs. 93,086	13	4

### THE SHROPSHIRE BANKING COMPANY.

#### *The Frauds of the Managers and the Cashier of the Shifnal Branch.*

A SPECIAL meeting of the shareholders of this bank was held on the 29th of January, when a full report was brought forward.

From the establishment of the company in 1836, successive boards of directors have presented to the proprietors yearly reports, in which they have been congratulated on a steady and growing prosperity, the fruit of extensive banking operations, by which the welfare of an important district has been promoted; and large profits have been divided amongst the shareholders, not only in the yearly payment of liberal dividends, but also in additions to capital in the form of bonuses. It is now the duty of the directors to present to the shareholders results of a different character, not caused by losses from ordinary business transactions or commercial embarrassments, but occasioned by frauds committed by two confidential servants, employed at the central bank, at Shifnal; namely, William Allen, the manager, and Thomas Gilbert, the cashier. Those men enjoyed the entire confidence of the board. In the deed of settlement, executed on the formation of the company, Gilbert is named as cashier and one of the public officers; and Allen, who was appointed to the office of chief manager in the year 1842, has received the thanks of the proprietors, at each successive yearly meeting, for the assiduous performance of his duties. It has, however, been discovered by the board, that by means of fraudulent practices, long continued and artfully concealed, large sums of money have been abstracted from the bank by both Allen and Gilbert. And with the view to a concealment of the frauds thus committed, not only were the balance sheets, when laid before the board, falsified so as to exhibit fictitious assets, but ledger entries were also falsified in order to verify fictitious balances. The board has succeeded in obtaining from the offenders a surrender of considerable property, and Gilbert, in particular, has made restitution to a large extent; but the frauds were on so extensive a scale, that the ultimate loss to the company may be estimated at or about £160,000; and thus not only has the guarantee fund, but also the whole of the paid up capital of the company been absorbed. In an emergency so grave and sudden, scarcely knowing whom to trust, the first duty of the board was to avert panic, by making provision for any claims to which the company might be subjected, whether from depositors or the holders of notes; and to this end the following sums were agreed to be advanced to the company by the directors afternamed, that is to say—William Henry Cope, £5,000; Henry Dickinson, £100,000; Robert Fisher, £5,000; John Williams, £5,000; Thomas Graham, £5,000: amounting altogether to £120,000. The belief entertained by the public, that the board has not been wanting in suitable endeavours to meet so grave an emergency, has tended to calm apprehensions which might otherwise have produced very serious embarrassment; and having carried on the business of the bank without interruption, and met every claim on the company with prompti-

tude, the directors have called the proprietors together, in order to lay before them a frank statement of the affairs of the company, and to solicit the co-operation of the proprietors on an occasion which demands the union and active exertions of the directors and shareholders.

The directors being prepared with a proposal, by which provision will be made to meet the deficiencies caused by the frauds on the company, will submit such proposal to the shareholders, with the view of obtaining their sanction to a continuance of the company, for the purpose of conducting and carrying on the business for which it was constituted.

The report proceeded to give a brief review of the progress and operations of the company, showing that, in the first three years of the company's existence, the yearly dividends were 7, 8, and 10 per cent. respectively on the paid up capital, and that in subsequent years dividends of 12½ per cent. were declared. The report then concluded as follows:—These results indicate an extensive and profitable business, which it would be very important to many of the proprietors to retain, especially those members of the company who have hitherto relied for a large portion, it may be the whole of their income, on the dividends of the bank. The decision of the question, whether the company shall be continued or not, is vested in the proprietors by the deed of settlement; but the proprietors may reasonably expect to be furnished with the opinion of the directors, and being satisfied, by careful investigation, that the profits hitherto declared have been really earned by the ordinary business of the company, and have not been materially augmented by the falsification of accounts, to which allusion has been made, the board feels no hesitation in recommending the proprietors to continue the company for the purpose of conducting and carrying on the business for which it was established. Whatever course may be taken by the proprietors, an immediate call will be required of at least £5 a share, which, on 15,000 shares, will amount to £75,000; and if to a paid-up share capital of £120,000 an addition be made of loan capital, which several of the directors are prepared to advance, adequate in amount to any emergency which is likely to arise, the board entertains a confident assurance that the dangers with which the company has been threatened will be surmounted, and that the business of the bank may yet be conducted with advantage alike to the shareholders and the public.

The proposals made by the directors (referred to in the report) were as follows:—

First.—That, with the view of enabling the company to continue its business, a call of £5 a share shall be made; and that when such call is paid, the capital shall be regarded as £120,000, being £8 a share paid on fifteen thousand shares.

Second.—That the subscribing directors shall supply to the company such sums of money as are set opposite their respective names, out of which the calls on their respective shares shall be satisfied; and the residue shall constitute loans to the company, for which no claim shall be made so long as the company shall be continued, until the shareholders, who shall pay the call of £5, and be entitled to dividends under the deed of settlement, shall have received as dividend eight shillings per share per annum, being at the rate of £5 per cent. per annum on the capital of £8 per share.

Third.—That the surplus profits, after paying such dividends, shall be applied, first, in payment of interest, at the rate of 3 per cent. upon, and next in reduction rateably of the loans, to be made under the present minute; and, in case the company shall be dissolved, the parties making the loans shall be regarded as creditors of the company for such portions of the loans as may then be unsatisfied.

Mr. W. Wyley moved a resolution to the effect that the proposals of the directors be accepted, in order that the business of the bank be continued as heretofore. This was seconded by Mr. William Taylor, and agreed to.

On the motion of Mr. Lawley, seconded by Mr. Edwards, it was resolved unanimously that the thanks of the shareholders be given to the directors, for their liberality in providing funds to carry on the business of the bank.

Mr. T. Wood, of Wolverhampton, moved a resolution to the effect that a call was inevitable; but that, inasmuch as it must cause much inconvenience and distress to many of the proprietors, the call be confined to the amount necessary to carry on the bank; and that the directors be recommended to realise such call with as much regard as possible to the convenience of the proprietors.

Mr. John Shaw, of Wolverhampton, seconded the resolution, which was agreed to unanimously.

On the motion of Mr. Robinson of Dudley, the thanks of the shareholders were given to the directors, "for their care and attention to the interests of the bank."

On the proposition of Mr. Lawley, Mr. Abraham Darby was requested to join the board of directors.

The call is payable on the 20th of June, and interest at the rate of 5 per cent. per annum will be allowed on all calls paid in advance, in accordance with powers given to the directors for that purpose in the deed of settlement.

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#### THE WOLVERHAMPTON AND STAFFORDSHIRE BANKING COMPANY.

THE twenty-third annual general meeting of this bank was held on Monday, the 5th February, at the Swan Hotel, at Wolverhampton, under the presidency of Alexander Hordern, Esq., Chairman of the Board of Directors.

The report was read by Mr. George Briscoe, and, after announcing that the business of the bank is increasing and prosperous, stated that the net profits for the year give a surplus of £15,082 8s. 4d. A dividend of 10s. per share was declared for the first half of the year, ending on the 31st of December, 1854, amounting to £5,000; and the directors now recommended a similar dividend for the second half of the year, leaving £5,000 to be placed to the guarantee fund account, and (including the balance of £958 10s. 1d., brought forward from the last annual meeting) a balance of £1,040 15s. 5d. to the profit and loss account. The report concluded with expressing the directors' satisfaction that they had been able to realise their last year's anticipations as to an increase in the dividends, which for the past year would be 3s. more than the bank had before paid, besides furnishing a nucleus for a new guarantee fund in the place of what was capitalised last year.

On the unanimous adoption of the report,

Mr. W. Warner proposed that the directors should be empowered to appropriate £100 to the South Staffordshire General Hospital, £100 to the Patriotic Fund, and £1,000 to themselves, as a compliment from the shareholders for the great and unvarying zeal and attention given by them to the management of the bank.

Several of the shareholders doubted whether the present meeting could properly thus dispose of the funds of the company. It was contrary to the purpose for which the meeting was called, and would not be fair to absent shareholders. On all previous attempts thus to deal with the property of the bank, it had been left to individuals to act as they thought proper—indeed, if they had decided otherwise, there was no knowing where a line was to be drawn.

Ultimately it was decided that the directors be requested to call a special meeting of the shareholders to take the subject into consideration, and that a copy of the report now presented should be sent with the circular.

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**STOURBRIDGE AND KIDDERMINSTER BANK.**

THE directors have declared a dividend of 5s. per share out of the profits of the half-year ending the 31st of December last, payable on or after the 10th of February, free of income tax.

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**DUDLEY AND WEST BROMWICH BANKING COMPANY.**

THE annual general meeting of the proprietors of the Dudley and West Bromwich Banking Company was held at the bank, in Dudley, the 6th of February, when a dividend was declared of 10s. per share for the half-year ending the 31st of December last (in addition to 10s. per share paid to the 30th of June last), also a bonus of 10s. per share, free of income tax, payable on and after the 1st of March. An addition of £8,000 was made to the guarantee fund, making that amount to £48,000, and the balance carried to the contingent reserve.

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**WARRINGTON SAVINGS BANK.**

Report of the auditors appointed to examine the accounts, for the year ending 20th November, 1854:—

Your auditors, in making their report to this the thirty-seventh annual general meeting of the trustees and managers, have much pleasure in being able to call your attention to the continued prosperity of the institution.

The steady and growing increase both in the number of depositors and the amount of capital, and the care and regularity with which the affairs of the bank are conducted, have very naturally inspired the public with confidence, as is evinced by the amount of business which has been transacted during the past year.

In the year ending 20th November last, there have been opened 651 new accounts, and 176 old accounts re-opened; while, during the same period, 691 have been closed, leaving 3,952 open accounts, being 136 more than at the corresponding period of last year, and showing an increase in the amount due to depositors of £9,132 8s. 9d.—the total sum to which they are entitled being £151,961 4s. 8d.

The increased value of money and other causes have induced the withdrawal of several large sums; but this has been more than counterbalanced by the new business, as the amount standing at the credit of accounts opened during the year is nearly £11,000.

There has been a considerable increase in the business transacted at the institution over the last year; for, while the deposits in 1853 numbered 4,374 and amounted to £31,676 0s. 7d., those of this year were 4,487 in number and amounted to £32,416 7s.; and, while 1,909 sums were withdrawn in 1853, amounting to £25,119 8s. 7d., in 1854 they numbered 2,330, and amounted to £27,514 7s. The total number of transactions last year was thus 6,817, that of the previous year being 6,283.

The sum invested with the National Debt Commissioners, as per their receipt, which was produced to us when auditing the accounts, was £151,917 19s. 5d., and, with the balance of £490 19s. 8d. in the treasurer's hands, makes the total funds of the bank on 20th of November, 1854, £152,408 19s. 1d.

The profit and loss account shows that there has been £4,230 8s. 9d. allowed to depositors for interest, and £4,767 5s. 7d. received from the Commissioners for the Reduction of the National Debt; leaving £536 16s. 10d. to meet the expenses of management—£488 2s. The difference between

*The Independent Permanent Benefit Building Society.* 179

these two sums creates a surplus of £48 14s. 10d., which added to the reserved fund makes the present amount of that fund £447 14s. 5d.

Your auditors recommend that the rate of interest allowed to depositors should be 3 per cent. as heretofore.

The usual summary of the year's proceedings, and of the business done on Saturday evenings, is appended to this report; also, an interesting statement showing the comparative progress of the institution for the last seven years.

No annuities have been granted in the last year.

HENRY WHITE,  
EDMUND ROBINSON, } *Auditors.*  
C. J. HOLMES,

15th December, 1854.

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THE INDEPENDENT PERMANENT BENEFIT BUILDING SOCIETY.

A GENERAL meeting of the shareholders in this society was held at the London Tavern on the evening of the 20th of January, when a favourable report was presented.

Mr. W. Greenwood King, on being called to the chair, said,—Gentlemen, I feel a pleasure which, perhaps, very few chairmen experience, even in large concerns, where vast sums of money have been expended, when I call your attention to the accounts and profits of this society. I cannot but express great satisfaction, when I consider how very depreciated are large commercial schemes at the present moment, compared with a few years since, and how our society has risen, which has shown that good feeling that warrants the confidence of the public. When I consider our steady progress (for there have been no fitful gusts from adversity to prosperity), and when it is remembered how the monetary and commercial interests of the country have suffered, and how our very liberties have been threatened, it is the more satisfactory. Our society, I hope I may state, is still in a prosperous condition, and deserving of every confidence; and when I look around and see the gentlemen composing the directory, I cannot help coming to the conclusion, that to them our prosperity is eminently due. (Hear, hear.) Many are gentlemen well known in the commercial world, who have risen to that height that any man could scarcely aspire to; and to this fact I attribute the success of our society. Were millions involved, I really think there would be a much larger dividend than some companies which I could mention have afforded. (Hear.) When I think of one of those magnificent schemes, the shares of which were once at 112, and are now at 64½, I can only say that, in all cases the shareholders are not able to take part in the management of their affairs, as is the case in our own society. It is true that some of our shareholders have had their money returned, but in no instance has it arisen from any dissatisfaction. This society was projected to benefit the middle and lower classes of society as much as any society yet established. It was a scheme to teach man to know his position. A fair plan has been submitted by which he might become possessed of property, and many have availed themselves of it. They withdraw, but always with regret—I speak of all cases which have come to my knowledge—and some have said that the society had been to them a savings bank, and that they never knew what could be done until they had joined a society like this. I have not had an opportunity of reading the report; but, from what I have heard, I can safely say that it is one which deserves your confidence, for your scrutineers and auditors will never let a farthing pass without it is correct, but overhaul everything. I am sure, then, you will hail the report with acclamation. I will not take up your time any longer, but call upon the secretary to read the report. I therefore move that the report be adopted.

The secretary then read the report, which will be found inserted at length in our advertisements.

Mr. T. G. Williams, in seconding the motion, expressed a wish that some other gentleman better able than he was had assumed the office which he had undertaken. It was true they had cherished no Utopian scheme, nor indulged in any illusory hopes, but they saw the result of prudence and forethought detailed in the report. He was pleased to recognise that the various members of the society had worked harmoniously together, for to that reason must be assigned in a great measure the success of their operations. War had certainly much to do with the disarranging of the affairs of the community at large, and he had no doubt it had affected many institutions similar to their own. It had operated very greatly to the prejudice of the commercial interests of society, and he hoped the time would soon come when they should be at peace. In the report, reference was made to the balance-sheet; as an auditor, he (Mr. Williams) had gone into the accounts, and was gratified to find that there was a balance in favour of the current year of £59 and upwards, after the payment of all expenses. (Hear, hear.) He was truly glad to find that the report recognised, and he might almost say the society owed its influence to, the services of Mr. King and the manager of the society. (Hear, hear.) They spoke in the report of a dividend of 6 per cent., and with the hope next year of a further increase. The shareholders were not simply receiving 6 per cent., but what was equal to  $7\frac{1}{4}$  and 8 per cent., taking into consideration the doubled income-tax. This was a striking feature in the working of a society like the present. He knew of no institution, except perhaps assurance companies and joint-stock banks, that was better for deposits than their own. He hoped the effect of the meeting would be, that friends having money would take up a portion of the capital of that Company. Building societies did not occupy in the present day the position they once did, but fortunately the present society held a very important position. They had now freehold land societies, which had become favourites, but he looked at that society with feelings of pleasure, for while freehold land societies were dying away—he spoke not of those firmly established, but of those now starting into life—the Independent Building Society occupied a very good position, and in its business there was a steady, firm, and he might almost say a rapid increase. (Hear, hear.) This society was formed for the middling and lower classes of society, and tended, in consequence, to improve the moral and social condition of the community. He had great pleasure in seconding the adoption of the report, and he hoped the sincerity which had prompted his address would be accepted as an apology for the manner in which he had fulfilled that duty. (Hear, hear.)

The motion was carried unanimously.

Mr. Read moved that an annual dividend of 6 per cent. be placed to the investing members' account, and to become due on the 17th May and the 17th November, which, being seconded, was also unanimously agreed to.

Votes of thanks were most cordially awarded to the trustees, solicitor, surveyor, treasurer, secretary, and chairman, which were severally responded to, and the proceedings terminated.

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## Communications.

*To the Editor of the Bankers' Magazine.*

### RARE AND VALUABLE BOOKS UPON BANKING.

SIR,—When a proposition for establishing a banking institute was brought under notice in your number for August, 1851, several suggestions were offered for the guidance of those who might take an active part in its formation. One of them appears to have been overlooked or not acted upon, and it has appeared to me so valuable that I am surprised it has not long ago been brought prominently forward by some one more capable of doing justice to such a subject. I allude to the reprinting of rare and curious books, a list of which appeared in your number for December of the same year.

It would be needless, in the present day, to expatiate upon the advantages of throwing open to the many engaged in banking and commercial pursuits a mass of curious and valuable literature, at present almost inaccessible when the object can be attained at a moderate price by a little organisation on the part of those who would be benefited. In order to carry out the plan I would suggest that those who are disposed to subscribe should forward their names to you, and, should it meet with sufficient support, that a small committee be formed in London to carry it out, and that the books and pamphlets should be reprinted uniform with your magazine, and forwarded to subscribers at stated intervals.

I am, sir, your obedient servant,

February 5, 1855.

A WEST NORFOLK BANKER.

### THE BANKERS' MAGAZINE.—ITS ADVERTISEMENTS AND SUBSCRIBERS.

SIR,—With the *Bankers' Magazine* before me, perhaps you will excuse me for suggesting, as an improvement in your advertising sheet, that all banking advertisements should have precedence on that sheet, and be kept strictly together, as a "Banking advertiser." In fact, it appears to me, that the magazine is not yet fully developed, and that, at the end of ten years, it should become the exclusive medium between bankers and the public. The daily press is not adapted for bankers' advertisements, because they are answered by the whole world; consequently, deserving parties acquainted with banking are deterred from replying to such advertisements: but, were a circular note, addressed to the bankers of the kingdom, together with a monthly notice in the magazine, calling attention to the nucleus which the magazine now forms for their advertisements, doubtless the advertisements of bankers would in future increase and centre with you, which would be a great convenience, besides securing you an entirely new class of subscribers from amongst the many who would seek, exclusively through you, their means of obtaining employment in banking. The price of the work is in favour of a large accession of subscribers, and an opening seems to exist for improving the advertising department, so as to render it, properly speaking, the "*Bankers' Magazine—Journal of the Money Market—Commercial Digest—and Banking Advertiser.*" I hope you will receive these crude remarks in good part, from an old reader.

I am, sir, your obedient, humble servant,

Liverpool, 26, Salisbury-street,  
5th February, 1855.

JOHN BELL.

[The suggestion thus offered we consider a valuable one, and shall, at the earliest moment, adopt it. A little assistance from our subscribers would speedily enable us to effect the desired alteration.]



## STAMPING CHEQUES.

SIR,—From “Old Stager’s” remarks, in your last, on my former communication, I cannot understand in what position he considers he stands with his customers.

I am not aware of any real or legal difference between the agency of a clerk and banker in such a matter as the one under discussion. If “Old Stager” is aware of any, perhaps he will be good enough to point it out.

“Old Stager” says: “By offering an unstamped cheque to a banker at a place beyond fifteen miles, ‘A Subscriber’ will surely admit that he designs then to circulate the cheque, and that, when the bank receives it from him, it is for the purpose of negotiation.”

I certainly do not admit the above paragraph. The cheque, I contend, is neither circulated or negotiated, the banker collecting it being legally the same as if the person himself collected it.

I believe the laws of cheques and bills to be much the same; and I would ask “Old Stager,” when a person leaves with him a bill, due in a month or two, for collection, whose property the bill is, although in his hands, and whether he could use or discount that bill? And, if not, why so?

I would recommend “Old Stager” to consult his solicitor before he acts in accordance with his last sentence.

The opinion of the Inland Revenue Commissioners, I am well aware, is not law, but generally they do not interpret it against their own interest; and, to show their opinion, in addition to my former quotations, I will conclude with letters which appeared in the *Times*, of the 23rd January last;—

“If a cheque be drawn by a person on a country bank, within fifteen miles of such bank, and paid by him also within that distance to another, who pays it to his banker, residing more than fifteen miles, in order to receive payment—is this such negotiating and circulating contemplated by law (17 and 18 Vict., c. 83, s. 7), and so requiring a stamp?

Inland Revenue, Somerset House,  
5th January, 1855.

SIR,—I have laid before the Board of Inland Revenue your letter of the 1st.

I am directed to inform you, that they do not, in the circumstances stated in your letter, consider that a stamp is requisite for the draft in question, to enable the banker to collect the amount thereof from the banker on whom it is drawn.

I am, sir, your obedient servant,  
J. SARGENT, *Assistant Secretary*.”

I am, sir,

A SUBSCRIBER.

15th February, 1855.

## “RENEWAL OF THE BANK CHARTER.”

SIR,—Under the above head, in your December number, the public are favoured with a few sentiments from one “H. L.,” having direct reference to our paper currency and the Bank of England. “H. L.,” after stating that the present system “has its advocates or opponents just in that proportion or ratio as the interests of the one or the other writer may demand,” immediately proceeds to attack the Bank of England; and, however laudable “H. L.’s” intentions may be, in directing the public mind to the subject generally, I cannot but think that he has not been over diligent in the search of facts and data for the purposes of argument; and I likewise think that your able correspondent takes an erroneous view of the position and practices of the Bank of England. “H. L.” proceeds to assert that, collectively, the private and joint-stock banks are quite equal in importance to the Bank of England, therefore, “equally entitled to

the privileges enjoyed by the Bank of England;" and adds, "if this conclusion were simply acted upon, it would put an end to all those ill-feelings and jealousies" against the Bank of England, arising from privileges bestowed upon it, to "the prejudice and injury" of other banks. I deny, sir, the assumed fact, that there is any jealousy or ill-feeling in the minds of the banking community against the Bank of England; but, if such does exist, it is only to be found in little minds and small concerns, who must bark if they cannot rise to greater things, a higher station, or more vital importance. The Bank of England has never—certainly not where its *branches* are established—given occasion for the rise of such puny feelings; for it is a well-known fact, that the Bank of England conducts its business upon such widely different principles to all other banks, it cannot be regarded as competing with them.

If your esteemed correspondent thinks the Bank of England enjoys any monopoly with regard to the profit or pay it derives from managing the National Debt, I trust it will be borne in mind that the Bank of England Directors have only done what any other body would have endeavoured to do for their proprietors, viz., made the best bargain they could with the Government. But, on this head, I am sure it is not necessary to comment much, seeing that, in this enlightened age of free trade, it is open for all the banks and bankers in the kingdom to compete with the Bank of England, and, by offering better terms to the Government, to crush any supposed monopoly enjoyed by the latter.

Advancing to the "paper currency" question, I hope I shall be able to convince "H. L." that if the Bank of England possess any advantage over other banks and bankers, it is no more than the Bank of England is entitled to; and I ground its claim to any such advantage upon the simple fact, that the Bank of England's capital bears a better—a safer—proportion to its circulation than all the other banks in the United Kingdom; and upon a still more important fact, that, as the sole custodiers of the largest amount of available capital, the Bank of England is in the best and readiest position to assist the nation at any time, therefore entitled to most consideration at the hands of the Government. There are 256 banks in the United Kingdom, and, according to the weekly circulation returns, more than two-thirds of them (174) do not possess an authorised circulation of £40,000 per week; 59 are under £100,000; and the remainder (23) may be classed thus:—

9	.....	under	.....	£200,000
1	.....	"	.....	300,000
5	.....	"	.....	400,000
5	.....	"	.....	450,000
1	Bank of	.....	.....	761,757
1	"	.....	.....	927,667
1	"	.....	.....	3,738,428

It will be seen that these 256 banks have, in the aggregate, an authorised circulation of £17,631,473, which divided by 256 gives an average circulation to each bank of £74,710. There are 166 private banks in the United Kingdom, whose capital it would be impossible to ascertain; but, taking the average paper circulation (£74,710) to represent the average capital of the 256 private and joint-stock banks, I cannot think that, collectively, they are "equal in importance" to the Bank of England, therefore not entitled to the privileges enjoyed by the Bank of England, seeing that 174, or rather more than two-thirds of their number, do not possess an authorised circulation of £40,000.

In conclusion, allow me to invite your excellent correspondent "H. L.," and all others who are interested in the currency question, to unite in a vigorous and well-sustained effort to bring the subject, in all its bearings

before the minds of the public generally, with a view to an entire repeal of the pernicious restrictive clauses of the Act of 1844; to effect which would be conferring a boon upon society at large, and would be another step in advance towards a perfect system of international free trade. Let it be remembered that the operations and powers of that act have already been suspended, and at a crisis when, had it proved equal to the times, it would have been pronounced to be an embodiment of the most perfect principles of political economy, as regards the currency question. The reverse is the case; and it is to be hoped that the energy and intelligence of the whole banking community will verify this opinion at a proper time and in a proper place.

Your most obedient servant,

T.

*Liverpool, 19th February, 1855.*

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#### DRAFTS WITHIN A CIRCLE OF FIFTEEN MILES.

SIR,—I observe several communications from your correspondents, relative to their views of the late Act, limiting the circulation of unstamped drafts to a circle of fifteen miles from the bank drawn on. Perhaps a notice of my practice, which is that of the head offices in Edinburgh, and, I presume, the universal one in Scotland, may not be unacceptable. My rule, then, is simply this—when a cheque upon a bank beyond the statutory distance is presented unstamped, I ask no questions as to how it came into the holder's possession, but, placing a stamp upon the back of the cheque, I get the holder to indorse through it. The plan puts my customers to no trouble, and the interest of the revenue is attended to. In no case would I receive such a draft unstamped, and should a customer or banker, beyond the fifteen miles, send me an unstamped draft upon myself, per post, for negotiation, I would either return it to him to be stamped, or (to save trouble) get it stamped by the drawer, if at hand.

I conceive it to be our part to satisfy the requirements of the Stamp Acts at the expense of as little annoyance to our customers as possible. Many of them are in a blissful state of ignorance of the law, and no amount of explanation will suffice to make them understand the legal points of a cheque, or, if understood, remember them in their practice.

With regard to another question that has been raised in your correspondence lately, I may mention that, in Scotland, we regard the different branches of the same bank as distinct banks, so that I cash a cheque upon another branch of the bank with which I am connected, on the same conditions as to charges and recourse against my customer, as if it was drawn upon a rival establishment in the same place.

Your obedient servant,

—J. W.

*February 19th, 1855.*

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#### GRATUITIES TO BANK CLERKS.

SIR,—As you have noticed with satisfaction the houses that have given a bonus to their clerks, will you have the goodness to add to the noble list the firm of Messrs. Barnett, Hoare and Co., who, for the last three years, have given a bonus of 10 per cent., besides paying the income tax.

I am, sir, your obedient servant,

A PARTICIPATOR.

*62, Lombard Street, February 21st, 1855.*

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## Notes of the Month.

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**DEFICIENCY (EXCHEQUER) BILLS, &c.**—Statements relating to deficiency bills and other Government securities, submitted to the House of Commons on the motion of Mr. Disraeli, M.P., show that the amount of deficiency bills issued between the 5th of July and the 10th of October last was £406,093, and between the 10th of October and the 9th of December last, £2,457,669. The amount of such bills redeemed in the same periods was respectively £2,768,093 and £2,457,669, besides £500,000 Consolidated Fund bills. The rate of interest was from 2 to 2½ per cent. The amount outstanding on the 11th of December was *nil*. The amount of interest paid between the 12th of July and 11th of December, 1854, was, on deficiency bills, £14,848, and on Consolidated Fund bills £10,702. The amount of Exchequer bills issued and paid off in the quarter ended the 10th of October, 1854, was £366,093; and in the quarter ending the 5th of January, 1855, £2,457,669. On the 11th of December £300,450 of Exchequer bills were bought of the paymaster of Exchequer bills, and sold to the Commissioners for the Reduction of the National Debt. The amount of Exchequer bills and bonds purchased by the said commissioners on account of the fund for savings bank, between the 17th of July and the 11th of December last, was £2,437,760, and the amount sold £2,015,000. The balance in the Exchequer on the 10th of October last amounted to £5,626,529, and on the 11th of December £4,224,055. The gross amount of the funded debt was reduced on the 11th of December to £755,366,106, from £755,610,226 on the 5th of July. The amount of the unfunded debt on the 5th of July and the 11th of December, 1854, were, respectively, £16,542,000 and £16,827,500. The sums applied by the Commissioners for the Reduction of the Debt in the purchase of deficiency bills amounted, in the quarter ended October the 10th, to £881,196, and in the quarter just ended to £264,669.

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**DEPOSITORS IN SAVINGS BANKS.**—A return, obtained on the motion of Mr. H. A. Bruce, M.P., gives the following as the number of men in the various parts of the United Kingdom who have had sums of £50 and upwards invested on their account in savings banks during the whole period of three years ending the 20th of November, 1853—viz., in England, 43,694; in Wales, 1,027; in Scotland, 1,485; and in Ireland, 2,147—making a grand total of 48,353 for the whole of the United Kingdom.

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**INDIAN RAILWAYS.**—A prospectus has been issued of the Scinde Railway Company, with a capital of £750,000, in £20 shares. It is to run from Kurrachee, the only seaport of Scinde in communication with the Indus, to Hyderabad, and will be 110 miles in length. In addition to developing the resources of the province of Scinde, which have shown, from the date of annexation, a growth almost unexampled, it is asserted the line would save the Indian Government at least £60,000 a year in the transport of stores, and by improvements which it might lead to in the Indus Flotilla service. Under these circumstances, the promoters have obtained a guarantee of 5 per cent., besides a lease of the necessary land, together with all the other advantageous conditions granted to the East Indian and Great Indian Peninsular lines, from the East India Company.

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**TUCKER & REEVE'S LOCKS.**—That the advent of a secure and good lock has for some time past been felt to be a desideratum by the commercial world, few bankers or mercantile men will be disposed to question—the rapidity with which a knowledge of “picking by pressure” is being diffused, in conjunction with the spread of a means, felt to be still more dangerous, because more easily effected, having shown the necessity of improvements in these all important adjuncts to the “safe” or “strong room.” That the locks named at the head of this notice may be considered secure against “picking by pressure,” admits of little doubt, as no picker can pos-

sibly be brought to bear upon their security parts 'after "pressure" is produced. As the peculiar construction of the locks seems also to make them safe against other fraudulent means, they may be looked upon as a very valuable addition to our small list of reliable locks, while their moderate price will render them generally available.

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**SALE OF OLIVER'S SHIPS AT LIVERPOOL.**—The sale, by public auction, of Mr. Oliver's ships commenced on the 7th of December, at the Cotton-sales-room, Liverpool. There were 74 vessels, of which only 19 were sold; no advance being made, with the remainder, above the upset price. The sales effected were as follows:—Ship *Alice Walton*, 845 tons, bought by Kirke and Furness, £5,820, reserve bid, £5,750; ship *Abyssinian*, 1,155 tons, bought by James Johnson for £9,200, reserve bid, £9,160; ship *City of Lincoln*, 891 tons, bought by James Alexander for £2,095, reserve bid, £2,000; ship *Charles Chaloner*, 790 tons, bought by Hugh Wardlow (Belfast) for £4,880, reserve bid, £4,800; ship *Empire Queen*, 993 tons, bought by J. de Wolf (Liverpool) for £5,120, reserve bid, £5,000; bark *Georgina*, 647 tons, bought by Hugh Mackay (Liverpool) for £2,405, reserve bid, £2,400; ship *Grand Trianon*, 1,062 tons, bought by Messrs. Collart and Son (Liverpool) for £9,150, reserve bid, £8,600; bark *Montezuma*, 524 tons, bought by Wilson Brothers for £2,510, reserve bid, £2,300; bark *Margaret and Jane*, 347 tons, by J. S. de Wolf (Liverpool) for £2,340, reserve price, £2,736; ship *Montmorcency*, 751 tons, bought by James Baines and Co. (Black Ball Line) for £6,640, reserve bid, £6,250; bark *New York Packet*, 685 tons, bought by G. P. Oxley, £3,110, reserve, £3,100; bark *Polynesia*, 731 tons, Mr. Gibson, £6,510, reserve, £6,500; schooner *Rover*, 53 tons, by Leopold Sampson (Manchester) for £300, reserve, £250; brigantine *Sandford*, 198 tons, John Shelton (Plymouth), £1,340, reserve, £1,204; ship *Sea King*, 773 tons, Mr. Cowan, £3,960, reserve, £3,950; bark *Thames*, 858 tons, by J. S. de Wolf, £4,560, reserve, £4,000; ship *Theodore*, 1,063 tons, by J. S. de Wolf, £6,005, reserve, £6,000; and ship *Western Bride*, 1,121 tons, by Kirke and Furness, for £7,800, reserve, £7,350. The vessels which remain unsold will not be again submitted to public auction, but are to be sold by private treaty. The rooms were crowded, but the bidding was very slack; it having been announced, at the commencement of the sale, that unless an advance were made on the upset price, no sale would be effected.

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**TRANSACTIONS OF THE BANK OF ENGLAND.**—The annual accounts presented to Parliament, pursuant to the acts 26, 48, and 59 George III., have been published. They show that the amount of all Exchequer bills, Treasury bills, or other Government securities, which were purchased by the Governor and Company of the Bank of England, or on which any sums were lent or advanced by the said Bank of England, during the year ended the 5th of January, 1855, included the following sums—viz., in the quarter ending the 5th of April, 1854, £3,711,201; in the quarter ended the 5th of July, £790,000; in the same quarter, £5,852,048; in the quarter ending the 10th of October, £500,000; in the same quarter, £4,029,289; and in the quarter ending the 5th of January, 1855, £2,460,582. All these advances were made on the growing produce of the Consolidated Fund. There were also advanced on Exchequer bills two sums of £1,750,000 and £300,450. All these amounts were paid off during the year, except £235,900, which remained undischarged in the hands of the Bank on the 5th of January last. The balances issued for the payment of dividends due and not demanded, and for the payment of lottery prizes or benefits not claimed, amounted as follows—viz., on the 5th of April, 1854, to £1,099,209, of which £990,953 was advanced to Government; on the 5th of July, to £1,079,164, of which £979,164 was advanced to Government; on the 10th of October, to 1,013,293, of which £913,293 was advanced to Government; and on the 5th of January, 1855, £1,066,081, of which £913,293 (the same sum as in the preceding quarter) was advanced to the Government. The sums left in the Bank of England consequently amounted, on the above quarter-days, to £108,256, £100,000, £100,000, and £152,788 respectively. An account of the receipt and expenditure of the sum of £2,794,7½2, during the year 1854, by the Commissioners for the Reduction of the National Debt, shows that the greater

portion of the receipts accrued from "cash received at sundry times from the Exchequer," and that nearly all of this cash, or £2,771,597, was expended in the purchase of Exchequer bills. The rest of the receipts were appropriated to the purchase of £2,974 Consols, and £24,921 Reduced Annuities Consolidated. A supplementary return states that, on the 16th of February, 1854, Mr. Gladstone, the Chancellor of the Exchequer, applied to the Bank for advances on Exchequer bills of such sums as should not leave a larger amount of the said bills in the hands of the Governor of the Bank than £1,000,000; and that on the 8th of June, 1854, a similar advance was requested to the amount of £750,000. Both requests were complied with by the Court of Directors of the Bank of England.

**THE AFFAIRS OF MR. JOHN ATTWOOD.**—A meeting of the creditors of Mr. John Attwood, whose embarrassments, in consequence of speculations in pig iron, were made known about two years ago, was recently held at the Hotel, Dudley. At the time of Mr. Attwood's failure, his debts and liabilities were estimated at upwards of £300,000, and it was stated that, when his affairs were wound up, there would be a surplus, after paying 20s. in the pound, of £30,000. This statement has, however, proved to be erroneous. A large amount of the debts were secured by mortgages, which, in some instances, have failed to cover the sums thought to be secured. A resolution was adopted at the meeting to declare a dividend of 1s. in the pound, payable on an early day.

**THE ESTATE OF SWANWICK AND JOHNSON.**—At a meeting of the creditors of Messrs. Swanwick and Johnson, of Manchester, calico printers, the liabilities of the firm were shown to amount to £27,000, against assets valued at £26,000. It was resolved that they should wind up under inspection, and 15s. in the pound is ultimately looked for.

**SAVINGS BANKS.**—The funded stock of Savings Banks and Friendly Societies, on the 20th of November last, was £33,009,218 14s. 9d., and the Commissioners of the National Debt held uninvested £174,683 16s. 6d.

**THE MINT AND THE COINAGE.**—The annual account of the moneys coined at the Mint during the past year, 1854, has been laid before the House of Commons. It states the total value of the gold coinage to have been £4,152,183, including 921,890·478 oz. weight, and 3,589,611 pieces, of sovereigns, and 144,480·840 oz. weight, and 1,125,144 pieces, of half-sovereigns, the value of which latter was, of course, one-half, or £562,572. No "double-sovereigns" were coined. The total value of the silver coinage amounted to £140,480, including 550,413 florin-pieces of 200,150·200 oz. in weight, and £55,041 in value; 552,414 shilling-pieces, of 100,439·000 oz. weight, and £27,620 in value; 840,116 sixpenny-pieces, of 76,374·200 oz. weight, and £21,002 in value; 1,096,613 groats, of 66,461·450 oz. in weight, and £18,276 in value; 4,158 fourpenny-pieces, of 252·000 oz. in weight, and £69 6s. in value; 1,471,734 threepenny-pieces, of 66,897·000 oz. in weight, and £18,396 in value; 4,752 twopenny-pieces, of 144·000 oz. in weight, and £39 12s. in value; and 7,920 silver penny pieces, of 120·000 oz. in weight, and £33 in value. The total value of the copper coinage was £61,538, including 6,827,520 pennies, of 127 tons in weight, and £28,448 in value; 12,461,568 halfpennies of 115 tons in weight, and £25,961 in value; 6,504,960 farthings, of 30 tons in weight, and £6,776 in value; and 677,376 half-farthings, of 1 ton 11 cwt. 2 qrs. in weight, and £352 16s. in value. It is worthy of mention that no crowns or half-crowns were coined in 1854. The gross total value of the gold, silver, and copper coinage of 1854, amounted to £4,354,201.

**TURKISH TREASURY BONDS.**—Letters from Constantinople mention that the Turkish Government are about to issue £2,000,000 of Treasury bonds, bearing 10 per cent. interest. Fresh supplies being essential, this method is favourable for the holders of the recent loan, since it indicates that, at present prices, the creation of a domestic debt is considered preferable to a further appeal to the English market.

## **Review.**

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### **PROCEEDINGS OF THE DECIMAL ASSOCIATION.**

A PAMPHLET under this title has been submitted to our notice, containing a short but lucid prefatory exposition, by Professor de Morgan, of the principles upon which this important and most interesting movement is founded. It would appear that the association is daily gaining strength, as the truths it propounds, and the immense national and individual good it has in view, become the more known. The disentanglement of the present confused and complicated systems of money arithmetic, and weights and measures, is a matter for universal consideration to every one through whose hands even the smallest amounts of money have to pass. If it were only as the certain means of rendering men of property capable of being the less dependent upon their stewards, it would have a strong claim upon the wealthier classes; while, to the poor, it would prove, by its readiness of acquisition, an especial boon, in at once simplifying the most minute marketable transaction. To the banker and the mercantile man, its profitable uses need scarcely be pointed out. The pamphlet embraces, in a few pages, all that has hitherto been done—what has to be done—and cogent reasons for the doing. But there is one circumstance it does not allude to, which is more especially suggested by the extended operations and vast increase of the business of most of the City bankers. To them, the question presents itself in a somewhat novel and homely phase. It is not altogether the number of hands the City bankers must employ, but it is the space that such clerks must occupy, and that in a *locale* like Lombard-street, where the ground is estimated by the inch. In such a case as Glyn's, as Barclay's, or Smith, Payne, and Co.'s, the fact of employing half-a-dozen clerks, more or less, would scarcely cost a second thought; but the consideration of enlarging their premises involves the outlay of more thousands—even if the required area were obtainable—than a poor man dare to think about. That the decimal system will ultimately become familiar to the people, and thereby shorten adult labour, while it will materially hasten the development of the arithmetical education of our children, there exists now not a reasonable doubt. How soon so great a consummation will occur, rests, however, almost entirely with the more intelligent and wealthy classes, in the power and might of whom, in this case, it is but to will and to have. We shall steadily direct attention to this movement, and shall hope, in succeeding numbers, to be able to congratulate the Decimal Association upon that nearer approach to the achievement of their useful labours, which the zeal and ability already evinced may naturally lead us to expect.

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### **BANK MOVEMENTS.**

MR. BARNARD DICKINSON has been appointed manager, and Mr. John Kynock cashier, of the Shropshire Banking Company, at the Head Office, Shifnal, in room of Mr. William Allen (manager) and Mr. Thomas Gilbert (cashier), dismissed.

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THE directors of the Bank of England have passed a resolution to give each clerk in their establishment an immediate bonus of 10 per cent. upon his salary, as compensation for the double income tax.

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THE Royal British Bank has at last obtained its supplemental charter, so that the Directors will be at once enabled to raise additional capital.

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## Monetary Intelligence.

### REVIEW OF THE MONEY MARKET FOR THE MONTH OF FEBRUARY, 1855.

THE career of financial affairs in February has been much interrupted by the Ministerial disorganisation, and the almost unparalleled severity of the weather. Mercantile relations have, therefore, suffered in proportion, and the business of the country, through these conjoint causes, has been nearly brought to a dead-lock. Credit, despite such adverse contingencies, has been fairly supported; for, although there has not been an entire absence of failures, those which have occurred have been comparatively insignificant. Never, for a long while past, has there been so universal a complaint made of existing depression; and, were not great reliance placed in the resources of the country, the consequences would probably be most appalling. Evidence of the distress and reduced condition of the labouring classes is to be only too readily found in the accounts of bread riots in the suburbs and provinces. The continuance of the war, even should the winter pass rapidly, cannot fail to exercise an injurious influence upon their position; and hence a desire is expressed, in some quarters, that the Vienna conference may lead to the conclusion of an honourable peace. The recurrence of Cabinet difficulties, after the strenuous attempts of the new Premier to smooth the path of his colleagues, may interrupt successful negotiations, particularly if Lord John Russell, who is *en route* for Austria, is to be summoned back to take part in the active councils of the Government. Whatever faith may be placed in the sincerity of Prussia, with regard to the proposed treaty with France, few will be inclined implicitly to rely upon her representations, until that project shall be ratified. Although it is stated that Louis Napoleon has determined on visiting the Crimea, in order to encourage his troops in their arduous undertaking before Sebastopol, there are hopes entertained that he will not peril his position by any lengthened stay. Discouraging as events have appeared in relation to local politics, the impression is, that the formation of an energetic administration cannot be long delayed, which will partially compensate for past *laches*. The demand for accommodation was rather stringent in the beginning of the month; but, after the fourth, a diminution was experienced. The rate has fluctuated from  $5\frac{1}{2}$  to  $4\frac{1}{2}$  for first-class paper, and the average, at the latest moment, is about 5 per cent. No alteration has occurred in the allowance on deposits, and the various bankers and brokers are understood to be well supplied. The drain of bullion to the Continent has not yet wholly ceased, but its efflux has latterly been partially checked.

The extent of fluctuation in public securities has been extremely limited, the range in Consols not having reached more than one and a quarter per cent. After advancing from  $91\frac{1}{2}$  to  $91\frac{3}{4}$ , sales were effected which caused a re-action to  $90\frac{1}{2}$ ; but the quotation has since recovered, and is now about  $91\frac{1}{4}$ . The Government have advertised the ordinary notice for receiving the Exchequer bills falling due in March, at the rate of  $2\frac{1}{4}$ d. per diem.

Foreign Stocks have not exhibited material variation, but they have occasionally fluctuated in sympathy with the English funds. Russian is not so firm as it was in the early part of the month, and the 5 per cents., from 102 have descended to 99. Mexican and Spanish have also shown symptoms of weakness, and the speculators fail to support the market. Dutch, Chilian, and Portuguese are steady, but the transactions continue unimportant.

In the railway share-market there has been some business. The results of the half-yearly meetings are not in all respects satisfactory, but in addition an unfavourable influence has been exercised through the diminution of traffic consequent upon the prolonged frost. Although quotations are not now at their lowest point, they stand at from £1 to £2 worse than at the close of



January. The chief feature in connection with the accounts presented to the shareholders is, that any increase of revenue appears to be absorbed by expenditure. The augmented cost of materials and labour, and the depression occasioned by the war, have a double action upon railway earnings at the present juncture.

Joint-stock bank shares, both metropolitan and colonial, are rather lower. The competition likely to be created by the introduction of new establishments has affected some descriptions, while others have suffered from the ordinary inactivity of business.

In produce, the operations have been generally limited. The uncertainty of the future course of public affairs, and the impediments occasioned by the state of the weather, have exercised a considerable influence. Considering these, and other drawbacks, the public auctions of indigo and wool have made steady progress.

The following are the fluctuations in the English and Foreign Stocks and Railway Shares, during the month just concluded :—

	Price on January 29.	Highest.	Lowest.	Price on Feb. 24.
<b>ENGLISH FUNDS.</b>				
Consols .. .. .	91½ to ½	91½	90½	91½
Exchequer bills' average .. ..	4s. to 7s. pm.	9s. pm.	4s. pm.	6s. to 7s. p.m.
<b>FOREIGN STOCKS.</b>				
Brazilian .. .. .	100	101½	99½	100
Buenos Ayres .. .. .	—	51	51	51
Chilian .. .. .	102½	103½	102	102
Dutch .. .. .	62	62½	61½	61½
Mexican .. .. .	21	21½	20½	21
Peruvian, 4½ per cent. .. ..	71	71	70	70
Portuguese, 4 per cent. .. ..	41½	42½	41½	42
Russian .. .. .	—	102	98	99
Spanish .. .. .	36½	37	36	36½
<b>RAILWAY SHARES.</b>				
Brighton .. .. .	106	106	96½ ex. d.	97½
Caledonian .. .. .	62½	62½	61½	62
Eastern Counties .. .. .	11	11½	10½	11½
Great Northern .. .. .	90½ ex. nw.	90½	88½	89
Great Western .. .. .	67	67½	64½	65½
Lancashire and Yorkshire .. ..	75½	75½	74	75
London and North Western.. ..	101½	99½	101½	100
Midland .. .. .	70	70½	68½	69
North Staffordshire .. .. .	13½	13½	12½	13½
South Eastern .. .. .	59½	59½	58½	59
South Western .. .. .	84½	86½	84½	86
York, Newcastle and Berwick .. ..	75½	77	73	74½
York and North Midland .. ..	54	54½	50½	50½
East Indian .. .. .	21½ ex. int.	21½	21½	21½
Northern of France .. .. .	34½ ex. int.	34½	34½	34½

#### THE GRAIN TRADE.

THE weather is considered favourable for agricultural operations, and, if the spring season should prove satisfactory, a strong belief is expressed in an abundant harvest. Operations in Mark Lane, for the last fortnight, have been interrupted by the frost, the ice in the river and canals not allowing corn-laden vessels to be worked. There have, consequently, been very short sup-

plies, and prices have suffered little variation. The tendency, under other circumstances, would probably be towards a decline.

The *Gazette* returns for England and Wales have been—

Week ended 1855.	Wheat. Qrs. sold.		Weekly Average.		Six Weeks' Average.		Duty.		Corresponding Six Weeks Last Year.
Jan. 27.....	64,202 ..		69 9 ..		72 8 ..		1 0 ..		77 3
Feb. 3.....	93,879 ..		70 11 ..		72 5 ..		1 0 ..		79 4
„ 10.....	91,223 ..		71 1 ..		72 0 ..		1 0 ..		80 11
„ 17.....	85,873 ..		70 3 ..		71 4 ..		1 0 ..		81 7

The importations since the harvest of 1854 have been—

	Wheat. Qrs.	Other grain. Qrs.	Total. Qrs.
Twenty-six weeks ended 17th Jan. ..	709,186	1,167,769	1,876,955
Four weeks ended 14th Feb.....	199,963	157,537	357,500
	909,149	1,325,306	2,234,455
And the weekly averages have been—			
Twenty-six weeks ended 17th Jan. ..	27,000	45,000	72,000
Four weeks ended 14th Feb. ....	50,000	39,000	89,000
	More 23,000	Less 6,000	More 17,000

#### STATE OF TRADE.

THE accounts from the manufacturing districts represent a state of general depression, and in many localities short time is being worked. The severity of the weather has checked any revival of business, and pauperism is, consequently, largely on the increase. Shipments to Australia and America are now wholly suspended—the state of business preventing sales, unless effected at a heavy sacrifice.

#### EAST INDIA REMITTANCES.

##### AMOUNT OF BILLS DRAWN FOR.

From the 25th of Jan. to the 8th Feb.	Bengal....	£121,304	8	2
	Madras....	15,000	11	7
	Bombay ..	Nil.		
From the 9th of Feb. to the 24th of Feb.	Bengal....	3,508	3	0
	Madras....	18,140	0	8
	Bombay ..	Nil.		
		£157,953	3	5

#### BANKING OBITUARY.

Feb. 2.—At his residence, Scalby Villa, Mr. Timothy Hardcastle, for many years an active partner in the firm of Messrs. Woodall, Hebden, and Hardcastle, Bankers, Scarborough.

11.—Mr. John Skelton, of the Power of Attorney's Office, Bank of England, aged 73.

14.—Mr. John Leach, formerly Principal of the Accountant's Drawing Office, Bank of England, aged 75.

19.—Mr. Thomas Mose, in the 69th year of his age, and the 51st of his service in the Bank of England.

19.—At Wells, Somerset, aged 58, Mr. Edward Nicklin Wells, Alderman and

Magistrate of the city of Wells, and for many years the local manager of the West of England and South Wales District Bank, in that city.

20.—Mr. William Kampster, of the Bank of England, aged 51.

### MONTHLY CHRONOLOGY.

Jan. 30.—Defeat of Ministers, on the motion of Mr. Roebuck for a committee to inquire into the conduct of the war.

30.—Resignation of Ministers.

31.—Failure of Messrs. Walton, Viney, and Co., in the Cape and Australian trade.

31.—Failure of Messrs. Page and Bacon, of St. Louis, bankers and general financial agents.

Feb. 1.—Intelligence of the suspensions of Messrs. Pickett, M'Murdo, and Co., bankers; Messrs. A. J. Wright and Co., produce dealers; Messrs. Sweeny, Green, and Co., cotton factors; and Messrs. Fellows and Co., dealers in cotton and tobacco; all of New Orleans.

7.—Formation of a New Ministry, by Lord Palmerston.

7.—Stoppage of Mr. T. Bell, Chemical Works, East Jarrow, on the Tyne.

10.—Government Proclamation in the *London Gazette*, against holding intercourse with the Queen's enemies.

12.—Intelligence received of a robbery of £24,000 at the Branch Victoria Bank at Ballarat, on the 2nd November.

12.—Failure of Messrs. Swanwick and Johnson, calico printers, Manchester.—Liabilities about £27,000.

13.—Stoppage of Messrs. Kirk and Furniss, general merchants, Liverpool.

14.—Failure of Messrs. G. B. Morewood and Co., of New York.

14.—Suspension of Messrs. Le Mesurier & Co., produce & timber merchants, Quebec.

15.—Intimation received that the Turkish Government were about to issue £2,000,000 Treasury Bonds, bearing 10 per cent. interest.

15.—Failure of Messrs. Keen, Rippin, and Co., warehousemen, with liabilities amounting to between £50,000 and £60,000.

20.—Departure of Lord John Russell, as Plenipotentiary Extraordinary on the part of England, at the Peace Conferences to be held at Vienna.

22.—Rupture in the new administration; Mr. Gladstone, Sir James Graham, and Mr. Sidney Herbert resign, in consequence of the prosecution of Mr. Roebuck's motion in the House of Commons.

24.—Disturbances in the metropolis, caused by the dock and other labourers being thrown out of work through the severity of the weather; several of the ring-leaders taken into custody, and committed to prison for various periods. Similar disturbances during the previous week at Liverpool.

24.—Failure of Messrs. Gibson, Ord, and Co., Manchester, commission merchants.

### NOTICES TO CORRESPONDENTS.

At the last moment, we are compelled to omit an article on the important question of stolen notes, and the details of the trial which Messrs. Spielmann & Co. have brought against the Bank of England. They will, however, fortunately suffer little by the delay, as the proceedings are still *sub judice*. Several communications, with legal answers and reviews, also stand over. All letters, unless they involve important points, should be sent by the 20th of the month.

The pressure of "Bank Meetings" and other matter will account for the omissions already referred to.

R. S.—According to the Board of Trade returns, the total of exports and imports for the past year exhibit a decrease of £1,841,473.

S. B.—Before the next period arrives, the point shall have due consideration.

JUNIOR.—The practice differs; but the best method is to take the numbers, the letters, the date, and the branch. The book you refer to will give you the principal information.

G. A. A. (R—d).—We know of no such work, either in English or French.

QUID PRO QUO.—The nature of the association is rather doubtful; seek some other more satisfactory investment.

# THE BANKERS' MAGAZINE;

AND

Journal of the Money Market.

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APRIL, 1855.

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## WHAT OF THE FUTURE?

THE current month will be full of portentous events; none more so, however, than those connected with our general financial arrangements. A new Chancellor of the Exchequer will present a new Budget, and great interest will attach to the success of the measures which he may propound for supplying the resources necessary to carry out the engagements of the State. As the present is not a period for dealing with our emergencies in a narrow and ungenerous spirit, it is to be presumed that Sir G. C. Lewis, profiting by the experience of his predecessor, will be prepared with some great and comprehensive plans, which shall efface the remembrance of those miserable expedients adopted by Mr. Gladstone, to support his own particular theories associated with a war expenditure. Indeed, the stability of the Administration will, it is thought in some quarters, greatly depend upon the popularity of their financial statement, and hence the necessity of more than usual care in its preparation.

The office of Chancellor of the Exchequer is now truly onerous; for, difficult as the situation of the previous Minister was, it entailed scarcely a tithe of the responsibility with which it is at this critical juncture invested. The initiatory steps taken last year, disastrous as they have turned out, merely indicated the probable risk attending a rupture of peace in the East; but now that we are positively engaged in a long and arduous struggle, which brings back to recollection the effects of former wars, the consequences must be steadily and boldly looked in the face, and provided for accordingly. It was unfortunate for the country at large, that the actual condition of affairs was not sooner recognised, and a first sacrifice made to meet the emergency. The public would have been better pleased, and

the Government would have been better served, had the false economical principles which distinguished the debates of March and May last been defeated on the spot.

Discouraging, under such circumstances, as our position is, we do not despair, if vigorous exertions are used, to see a thorough reform effected in the mode of dealing with the finances of the State—it being essential that, in an era of war, extraordinary measures shall be brought forward to raise the funds required to discharge an extraordinary expenditure. Patriotism and self-abnegation may have induced many to concur in the opinions expressed, when the army of observation left for the Crimea; but the subsequent drawbacks experienced, notwithstanding the glorious victories of Alma, Balaklava, and Inkermann, will have convinced them of the desirableness of more extended schemes of finance to support our national position and honour.

It is not our intention to analyse the contents of the respective statements made by Mr. Gladstone in 1854. They were, to all intents and purposes, war budgets, though he distinctly refused to appreciate the peril in which he was placed. A hankering for peace—when hostilities were imminent—rendered him callous to the difficulty of his situation; and, depending more upon the resources of his own fertile imagination than those of the country, he was tempted into fresh experiments, which as frequently failed as he devised them. With regard to his acceptance of office as a Finance Minister, we thought, throughout, it was a mistake; and, great and ready as his talents are for dealing with other topics, he has, unfortunately, never shone in this. Now the question is, does his successor intend to follow in his footsteps, or will he inaugurate new and independent proposals? There are statements abroad which differ in relation to this vitally important question. Some assert that the presiding authorities at the Treasury are not only in favour of a further extension of direct taxation, but that also the same strong distaste exists, to an addition to the debt.

Others intimate a belief that a compromise will be effected, between those who desire to restrict the property and income tax to its present *maximum*, and those who are opposed to any such limitation, by a creation of terminable annuities, which, with a modification or renewal of indirect imposts, will produce the amount considered necessary. Taking the average at from £15,000,000 to £20,000,000, ample scope is presented for a variety of legislation.

On one point, which, of all others, must be viewed in relation to the war as of no mean consideration—viz., its public popularity—there can be little difference of sentiment. The majority,

throughout the length and breadth of the land, have declared against the aggressive spirit of Russia, and have most cordially supported the co-operative attempts of the allies to arrest its progress. In this way, they have freely made themselves liable for the responsibility and burdens resulting from the contest, and they must consequently be prepared to acquiesce in such fiscal regulations as Parliament, in its wisdom, may submit. But while agreeing to share the expenses which the war may cost, they are entitled to, and will undoubtedly, protest against an illimitable extension of direct taxation, which must in the end, apart from other causes, exercise a most serious and irreparable effect upon trade and its resources. The public voice, more potent than ever, has been raised in condemnation of the inefficiency of routine regulations and aristocratic pretensions in the management of Government affairs: and what has been the issue? Why, that they have been compelled to give way, and make room for more suitable and less expensive arrangements.

A "pressure from without," though unaccompanied now by those turbulent demonstrations which secured the passing of the Reform Bill, is, in its "throbbing pulsation," felt with greater effect through the medium of daily intercourse; and the hum of ordinary conversation produces, without unnecessary excitement, more lasting and beneficial influence than any Hunt's procession from Manchester. Let the Government, therefore, beware how they tamper with the temper of the public, especially in connection with financial proceedings, which are, after all, the keystone of its power.

The waste and extravagance exhibited in the several departments superintending our war administration, will be a poor excuse for those who may wish to shelter themselves under the plea, that the ill provision of Mr. Gladstone for the fearful contingences which have arisen, would not allow of any more adequate measures being adopted for the protection and comfort of our suffering troops. The "economic terrorism" which seems to have prevailed among all classes connected with the heads of the military and civil service, stands in strong contrast with the frightful evidence of loss and ill regulated expenditure suffered to take place through the transport system; and the opportune exposures which have occurred will probably bring about speedily an effective alteration.

The Aberdeen administration stand confessed before the world and the public, as deeply culpable, for the want of foresight and discretion in preparations for the war; and the one in existence under Lord Palmerston will be doubly censurable, if, neglecting the results of the past, strenuous endeavours are

not made to remedy existing evils. Whether the war is to be continued, or a peace settled on the negotiation of the four points, is a matter of minor importance to a rectification of the flagrant mismanagement which has recently been discovered. In either case, the authorities must be prepared to proceed with immediate reforms, and, not stinting for the present requisite supplies, lay the foundation for a recovery from the stigma under which we now labour. A war, if it is to be carried out with vigour, should be conducted with a sense of freedom in finance which should leave no suspicion or doubt of contracted resources; and succeeding, as well as present, generations cannot object to participate in expenses incurred for a general benefit. And a peace, if concluded to-morrow, should not be arranged without affording full means to support our position, at least for a year or two, particularly after the altered aspect of political relations throughout the continent of Europe. The solidity created by a forty years' abstinence from hostilities, has been suddenly disturbed by the rupture following the Eastern dispute, and it is therefore not feasible to suppose that we shall immediately enjoy the same prosperity that preceded that eventful epoch. The feeling of the public, consequently, is to provide liberally for the wants of the country's service, in all respects; but, while providing freely, do not forget to spread the burden so that it shall fall with equal proportion on those who may derive advantage either now or hereafter from the results of the momentous strife.

"They order these things better in France." The £30,000,000 which Louis Napoleon has obtained will amply furnish the financial assistance which he requires. Twice has he appealed to his nation—and on each occasion with proportionate success. Had similar means, even on a less extensive scale, been tried at home, they would have been found fully efficient, and we should then have been spared those humiliating explanations, lately witnessed, regarding the addition or non-addition of £1,750,000 to the general permanent debt.

#### METROPOLITAN IMPROVEMENTS AND BANKING ARCHITECTURE.

THE gigantic strides in the path of commercial and general prosperity made by this country, during that long continuance of peace which has at length been unfortunately, but, it is to be hoped, only temporarily broken, is in nothing more evident than in the improved aspect of our streets and thoroughfares. Take London, for instance. If a native citizen, who had spent his early life in the locality, and left it some thirty or forty years ago, were, after residing that length of time abroad, now to return, he would be in a state of semi-bewilderment. He would look

in vain for the narrow, inconvenient approaches to London-bridge, with which he had been so familiar in his youth, in the wide, handsome road by which he would cross the river from the South-Eastern Railway, and enter the metropolis of the world. If very quick sighted, he might possibly, while passing over the viaduct in King William-street, and turning to admire the noble hall of the Fishmongers' Company, catch a glimpse of his old acquaintance, Thames-street; but, by what magical process it had been sunk a dozen yards or so below the level of the road-way along which he was himself proceeding, he would be at a loss to comprehend. Then how astonished would he be, if turning short round to the left at King William's statue, to find Crooked-lane, and a host of other tortuous, narrow, and perplexing lanes and courts, some of them remembered by the high-sounding but most inappropriate title of "streets," vanished; and Cannon-street converted into a magnificent, broad, and business-like thoroughfare, with wide, well-paved causeways for the use of foot passengers, and a breadth of road for vehicular traffic, by several feet greater than that of Cheapside or Cornhill! On either side, too, he would observe houses of business, which, in point of dimensions, architectural design, and artistic embellishment, might compete successfully with many of the palatial residences of continental Europe—the vista extending westward, and opening up for the first time a view, though but a partial one, of Sir Christopher Wren's grandest work, St. Paul's. If, instead of turning down Cannon-street, he shaped his course along King William-street, past the Mansion House and the Bank, and along Moorgate-street towards Finsbury, he would be no less astonished at the improvements which had taken place during his long absence. Proceeding westward through the Strand, he would find that important thoroughfare no longer blocked up by menageries and bazaars, extending in what ought to be the middle of the roadway, and impeding the traffic, but a wide, convenient street, debouching at Charing-cross into one of the finest squares in Europe. Steering in the direction of Pimlico, he would pass through a fine, broad, open street, connecting the aristocratic neighbourhood of Belgravia with the palace of the Legislature, and which, when completed, will have few equals in this or any other country. Regent-street, which, when he left England, was but in embryo, he would find completed, and presenting, with all its incongruities of architecture, a thoroughfare of which any metropolis in the world might be proud.

Amongst other West-end improvements, he would observe the communication between Holborn and Oxford-street continued in a direct line through what was once the "slums" of St. Giles', and the commencement at least of another important direct line of street between the City and the great western outlet of Piccadilly, in the opening of a carriage-way between Coventry-street and Long-acre, and which, when completed—should the lawyers of Lincoln's-inn ever allow it to be so—will afford the most valuable, because the most direct, thoroughfare east and west, and tend, more than anything else, to relieve the plethora of traffic in Ludgate-hill, Fleet-street, and the Strand.



From Blackfriars-bridge, he would be enabled to travel northwards, by Farringdon-street (or, at all events, see a prospect of being able to do so at no very distant day), through Clerkenwell to Islington; and, from Waterloo-bridge, he might avail himself of the tolerably ready, though not remarkably straight, new way of Wellington-street, Bond-street, and Gower-street, to the North-Western Railway and Hampstead. In every direction—east and west, north and south—he would be struck with the great improvements which the requirements of trade and commerce, developed by forty years of peace, have produced.

These important changes have not, however, been obtained without, in some instances, a long and arduous struggle. There was the never-failing opposition of vested interests to be combatted. The crowding together of several streets, within a space that was barely sufficient for one, gave an enormous building frontage as compared with the acreage; and, consequently, a very large rental per acre for the land, in the shape of ground rents, was secured. It never entered into the minds of the owners of this property, that, as you increase the facilities for traffic, by widening the streets and making the thoroughfares direct, the value of the land must rise; that, in a city which is the great emporium of the world's commerce, houses, offices, and warehouses for the transaction of commercial business, must be had at whatever cost; and that the increased competition for such accommodation, consequent upon any diminution of the gross amount of the area that can be built upon, must, especially in the chief business localities, occasion a far more than proportionate rise in value. The truth of this position, experience has proved in every instance; and, at this moment, a building site in any one of the new City thoroughfares, or in any of the long existing and established trade localities, brings a price, either in the shape of purchase money or rental, which our ancestors, even of the last generation, would have considered fabulous. In a recent number of the *Builder*, it is stated that "Some land in Finch-lane, opposite the Australasian Bank, recently let on a building lease by the Merchant Taylors' Company, produced about £15 a foot as ground rent, the depth being about 70 feet. The new buildings on the south side of Cornhill, recently erected by Messrs. Savory and the County Fire Office, are subject to a ground rent of £1,200 per annum. The frontage is about 54 feet, and the depth about 80 feet, and, calculating as in former cases, the cost per acre amounts to £470,000. Again—the block of buildings called "Royal Exchange-buildings," occupying an area of from 4,000 to 5,000 feet, produces a gross rental of £10,000 a year. Travelling westward to New Cannon-street, a piece of land opposite the triangular plot adjoining St. Paul's, containing about 4,500 feet superficial, has been let at a ground rent of £1,550 a year, which, at 80 years' purchase, produces about £460,000 an acre. To cap them all, however, we must go back to the plot of ground at the north-east corner of Threadneedle-street and Finch-lane, belonging to Mr. Alderman Moon, the present Lord Mayor, which, report says, has been recently let at a ground rent of £1,000 per annum. The superficial area of this piece is about 1,600 feet, and, calculating the ground rent at 30 years' purchase, we find its value is at

the rate of £840,000 per acre! Much has been written about the value of the triangular plot of land between New Cannon-street and St. Paul's. The area of this plot is 6,270 feet, and we understand a positive offer has been made to take it at a ground rent of £2,000 a year, which would produce, at 30 years' purchase, the sum named (£60,000) being at the rate of £420,000 an acre."

Some of these statements may be more or less exaggerated, and the strict accuracy of one or two of them has, if we mistake not, been denied. Nevertheless, they afford data upon which something like an approximate idea may be formed of the prodigious value to which land in the City has attained in our own time. The causes of this enhancement of value are continually progressing and gaining strength, in the expansion of trade, and the demand for increased accommodation for conducting it with that due regard to the subdivision and consequent economy of labour which, in the fierce competition of these days, is absolutely essential to success and profit, in all extensive business operations. The establishment of new banks, new insurance offices, and large trading concerns, carried on by means of joint-stock companies, or the united capital of private individuals, and requiring considerable space for the accommodation of the formidable array of clerks they are compelled to employ, adds, year by year, to the disproportion between the demand for office room in the City, or land whereon to erect it, and the supply. The result of this is, not only the rapidly progressive rise in the value of land and house property, to which allusion has been made, but a gradual change in our street architecture.

In the new buildings which have, of late years, been erected in the great business localities—as in the neighbourhood of Lombard-street, the Exchange, and in the new thoroughfare of Cannon-street—we miss all indication of the character of dwellings. From their style of architecture, it is evident that, from the basement to the highest story, they are intended for purposes of business only. Wherever an opportunity is offered to rebuild, we observe the old-fashioned houses, with their business premises confined to the ground floor, and their dwelling rooms, chambers, and domestic offices above, giving place to tall, handsome edifices, which, especially in those instances where the area of ground to be covered is more than ordinarily limited, rise up, story above story, until they reach the proportions of towers—each floor being devoted to the accommodation of a staff of clerks, which, in former times, would have been considered sufficient to carry on the business of a Rothschild or a Baring. These tall, narrow houses, towering up here and there above, and certainly contrasting strangely enough with their neighbours, and of which we have a specimen near Bow Church, in Cheapside, and another in other new premises, introduce variety, and add to the picturesqueness of our streets, however much it may clash with the pre-conceived architectural notion, for a building to be so utterly disproportioned in height, and to have its principal story, and the most imposing feature of its front, three or four floors above its basement. When, however, a firm of importance, pressed by the expansion of its trade, is compelled to extend its premises, or when a new firm or com-

pany, commencing operations, anticipates a business of more than ordinary magnitude, and can obtain a site sufficient for the purpose, we find buildings erected which combine, with the most complete and commodious interior arrangements, exteriors that, in point of appropriateness of character, and in many instances of architectural design and embellishment, are unsurpassed in any city in Europe. In those of our more modern City buildings which are devoted to the business of banking, the march of improvement in this direction is especially conspicuous. In past times, when a banking firm was about to be established, if a house could be obtained in or near Lombard-street, capable of accommodating some half a dozen clerks on the shop floor, with a few dwelling rooms above for the resident manager, it was all that was required. At one counter, generally of no very extraordinary dimensions, all the business of the bank—metropolitan, provincial, foreign, and colonial—could be transacted with ease; but in our day, when the business of private banks of standing character has increased ten, twenty, and in some cases a hundred-fold, and when the success which has attended the establishment of joint-stock banks proves that the trade of banking may be developed to almost any extent, in proportion to the facilities afforded to it, a banking company commencing to build feels it necessary to expend some £30,000 or £40,000 of its capital in the erection of premises sufficiently capacious for the accommodation of scores, and in some cases hundreds of clerks and servants, and wherein, by means of separate and distinct departments for each branch of the business, the economical principle of subdividing labour may be fully carried out. In the rebuilding, altering, and enlarging of the banking houses which have undergone these processes of late, and in the building of new premises for banking purposes, this has been the great object in view.

Amongst the earliest instances of the adaptation of old premises to modern requirements, is Glyn's banking house in Lombard-street; and the result is most successful. The front is severely plain, but nobly proportioned, and full of character. Its capacious and commodious doorway, tall and broad windows, entire freedom from embellishments—as though the demand for the space within was so pressing, that no room could be afforded for columns, pilasters, or enriched figures outside—tell the passer by, more plainly than any inscription could do, "This is a bank of the first class, and of the largest business;" and, in the interior, the roomy offices, spacious counters, light staircase, and ready means of access to the several departments, exhibit a degree of fitness of purpose which is excelled in few, if any, of the more modern buildings. In the same street, we have two other rebuildings of more recent date, which are deserving mention. The one the banking house of Barnett, Hoare, and Co., at the corner of Birchin Lane; the other its opposite neighbour, Overend Gurney's. Both of these possess far greater architectural pretensions than Glyn's. Barnett Hoare's is really a beautiful front. It is Italian in character, and in the style of the Roman Doric. The windows, which are sufficiently large for the purposes of light, without being in the least disproportioned, are divided from each other by double pilasters. The frieze is plain, and the whole design is

peculiarly chaste and artistic. Overend Gurney's is a far more pretentious affair. It is designed in the fashionable Franco-Italian style; the façade is pretty enough, but showy and meretricious; its great redeeming point being the windows, which are large, well proportioned, and characteristic. Both of these banks, though placed in a very narrow thoroughfare, possess an advantage for architectural display over most of their neighbours, in being corner houses, presenting points both in Lombard-street and Birchin-lane. Hanbury and Co's., next door to Barnett Hoare's, in Lombard-street, is an instance of a light, business-like, and characteristic design of a banking-house, compressed within an exceedingly narrow frontage. Another of the more early rebuildings, is Hoare's, of Fleet-street. Those who recollect the dingy old brick establishment, formerly known as Hoare's Bank, with its inconvenient retail-shop-like interior, and its low ceilings, will appreciate the great improvement which has been in this case effected, not only in the exterior aspect, but in the additional facilities which the interior arrangements have provided for the trade of the house. The present building is probably one of the most substantial in appearance of any of our City establishments. It possesses a handsome, and, for its situation, tolerably extensive façade, Italian in style, but exceedingly plain, and partaking somewhat more of the character of a literary club, or educational institute, than of the offices of a money-dealer. Amongst the joint-stock banking houses, the most important is the London and Westminster. Their principal office in Lothbury is one of the most extensive of the new buildings which have been erected in the City for banking purposes. The interior arrangements are, as might be expected, in a building designed for the special purpose to which it is devoted, and for a company possessing so large a command of capital, most complete, and supply every convenience for the transaction of business. The exterior adopts, to a certain extent, the same architectural type as the great national establishment on the other side of the way. It is an attempt to adapt fresh architecture to buildings devoted to trading purposes, but varies more from the classic model than Sir John Soane's building, in having its windows next the street; the more confined area with which the architect had to deal having deprived him of the opportunity of lighting his rooms from interior courts. There is considerable ingenuity displayed in stamping this design with something like the character of a house of business, but the effect generally is cold and unpleasing. While speaking of recent improvements in these establishments, the very commodious interior arrangements of the Union Bank of London, in Princes-street, the Union Bank of Australia, and the new premises just erected in Finch-lane, for the Bank of Australasia, deserve mention. The Royal British Bank has, it is understood, secured a portion of the South Sea House, to which, when the contemplated alterations are completed, it is proposed to remove the business of their central office from Tokenhouse-yard. Other banks, impelled by the impetus which has been given to banking business, are, it is understood, making arrangements for increasing their premises.

As indication of the growing wealth of the country—of the effect of

that wealth in promoting trade, fostering out and improving the appearance of our streets—nothing can be more gratifying than the spirit of emulation which seems to have obtained of late years amongst all the London banks, in combining with the most perfect accommodation for their business a considerable amount of architectural display. The expenditure incurred by some of the joint-stock establishments in this direction, must have occasioned no slight inroads upon the funds of the proprietors. In some instances, the expenditure so incurred will doubtless be found profitable; but whether, in the earlier stages of its operations, it is always wise for a company to enter upon a large outlay for buildings, until the growth of business demands it, may be questioned.

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#### MINING MISMANAGEMENT.

THE investment of capital in English mining enterprise every now and then encounters a strong check, by the discovery either of direct fraud or permanent mismanagement, which, creating a want of confidence among parties capable of supporting these undertakings, leaves them to the tender mercies of a set of adventurers, whose chief aim is to victimise the public through the sale of worthless shares. Although repeated attempts have been made to bring the mining community, and those legitimately interested in this branch of industry, into a position which would prevent the recurrence of these unsatisfactory exposures, no favourable progress appears to have been made; and the trials in our courts, with the investigations privately carried out, show that the interests of shareholders are very little regarded, compared with the individual objects of promoters and managers.

It is unnecessary to go into the details of several cases lately brought before the public, in which restitution has been sought of the money paid for scrip and shares in some companies, the colourable representations of value having been proved entirely false. They have, however, presented, in a very remarkable manner, the plausible expedients resorted to for entrapping the unwary, and the slight reliance that can be placed in the reports emanating from superintendents, underground captains, or any one else. In the first place, the process is to find a mine; and then, in the next, when it is found, to issue shares for a sum largely in excess of the original cost. When these are in circulation, favourable statements from the locality will assist to enable their negotiation at a premium, and the result subsequently is not a matter of importance, provided legal proceedings are not instituted. This is the phase of things known as the mining fraud.

Mining mismanagement is scarcely less reprehensible. It is true that the summary principle of "making the most you can,

and as speedily as possible," is not followed out in this instance; but the evil affects the system deeply, and, if not speedily eradicated, almost invariably produces fatal consequences. Despite the boasted correctness of the cost-book principle, which, if honestly adopted, periodically shows the adventurers their real position, the arrangement of accounts, when left to the superintendence of the London manager, who has the resident agent and subordinates under his command, offers a temptation to irregularity only too frequently indulged at the expense of the general body. Through excessive expenditure, and other extravagance, productive mines are thus frequently brought to the verge of ruin—the manager taking care that his own salary and charges are provided out of the earliest funds that reach his hands. Directors, when hood-winked, and neglecting their responsible duties, can, however, be scarcely surprised at unfavourable disclosures, when committees of investigation go strictly into these affairs. It is the discreditable nature of such proceedings that induces many to hesitate before they will, under any circumstances, enter into operations in mining securities. The apprehension that there is always something lurking in the background, which may on the instant turn up to the prejudice of the mine, or its management, has, on many occasions, doomed a good and thoroughly *bond fide* company.

It will be a fortunate day for mining adventures in general, if it ever shall arrive, when they become freed from this heavy and, it is to be feared, lasting taint. The crop of Australian and Californian companies, the majority of which were based on fraud, has tended to damp the ardour of the public in rushing from home to encourage foreign enterprise; but neither British nor foreign will ever succeed, unless a radical reform takes place in the leading principles of management. In some recent inquiries which have occurred in connection with two or three undertakings, there has been apparently a strenuous endeavour to clear out the "old leaven;" and, since the mines themselves are known to be valuable, they may, with proper development, be again brought into a profitable position.

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#### FAILED FIRMS.

WE continue to collate all facts of interest, based on authentic statements, connected with the principal mercantile suspensions, and, on the present occasion, present those connected with the estates of Messrs. Browning and Co., Mr. G. T. Braine, and Mr. J. L. Nichol. These particulars will be found most useful for reference; antecedent circumstances being supposed to regulate credit in future transactions, if the firms resume business.

## THE ESTATE OF MESSRS. T. R. AND W. BROWNING AND CO.

A meeting of the creditors of Messrs. T. R. and W. Browning and Co., engaged in the timber trade, who failed on the 3rd March, was held on the 6th March, when the following statement was presented, showing the debts and liabilities to be £95,820, and the assets £54,450. The estimated amount of dividend is 11s. 4d. in the pound; but this, it is intimated, may be slightly reduced by losses incurred since the preparation of the accounts. Before resolving in what manner the estate should be wound up, it was agreed to appoint an accountant (Mr. Turquand) to investigate, and also a committee to report, at a future date, on the general position of the affairs of the house. The absence of capital, and late extensive speculations, appear to have created its embarrassments. This report has since been presented, and the firm will liquidate under inspection.

*Balance-sheet of T. R. and W. Browning and Co.—13th February, 1855.*

Creditors unsecured ... ..	£37,061	8	0
Creditors holding security ... ..	53,759	10	9
Liabilities on indorsed bills... ..	£49,520	5	4
On which claims may arise to the extent of	5,000	0	0
	£95,820	18	9
Amount of cash in hand ... ..	£684	0	3
Amount of stock ... ..	30,698	2	11
Amount of loans due... ..	336	10	0
Amount of bills not yet due... ..	£4,399	8	6
Amount of bills overdue ... ..	987	15	5
Amount of book debts ... ..	19,587	1	1
	£24,974	5	0
Deduct for loss in collecting 10 per cent.	2,497	8	6
	22,476	16	6
Surplus due from Hanbury and Co. ... ..	1,247	4	10
Surplus due from W. H. Surman ... ..	252	2	7
	£55,694	17	1
Preferential claims for rent on stock at docks—London and Liverpool ... ..	£1,000	0	0
Rent at Waterloo Bridge Wharf... ..	245	0	0
	1,245	0	0
	£54,449	17	1
Deficiency ... ..	41,371	1	8
	£95,820	18	9

## THE ESTATE OF MR. G. T. BRAINE.

A meeting of the creditors of Mr. G. T. Braine, whose stoppage in the East India trade was announced on the 28th of February, was held on the 20th of March, at which a statement, prepared by Mr. Coleman, the accountant, was presented, showing debts to the amount of about £306,000, of which £230,000 are to secured, and £76,000 to unsecured creditors. Mr. Braine attended, and it was stated by Mr. Lavie, the solicitor, on his behalf that the assets to meet the open liabilities of £76,000 would scarcely yield 2s. in the pound; but that Mr. Braine proposed, with assistance, to pay 2s. 6d. at once, and a further sum of 2s. 6d. in twelve months, upon a re-

lease being granted him, such release not to be valid in case of any default in the payment of the second 2s. 6d. Much discussion took place on the way in which the mass of the property had been disposed of, to secure specific claims, and to the injury of the general creditors, while it so appeared that the chief losses incurred had been in connection with mining and other speculations. The capital with which Mr. Braine re-commenced business, after the crisis of 1847, was stated to have been £53,000. After hearing the respective statements, the meeting adjourned, to consider whether the offered composition should be accepted, or the estate be carried into the Court of Bankruptcy. It is understood that the arrangement will be accepted.

**THE ESTATE OF MESSRS. ANTHONY NICHOL AND SON.**

A meeting of the creditors of Mr. J. L. Nichol, trading under the firm of Anthony Nichol and Son, who failed on the 7th of March, was held on the 22nd of March, when the following statement was presented by Mr. J. E. Coleman, the accountant:—

To creditors on open accounts	...	...	£5,045	3	1
Ditto on bills payable	...	...	£53,577	7	2
Less amount to be retired by the drawers	...	...	39,411	11	2
				14,165	16 0
To creditors partly secured	...	...	21,987	5	3
Less security held	...	...	17,540	0	0
				4,427	5 3
To creditors fully secured.—Security held...			5,150	0	0
Claims...	...	...	4,899	2	2
To contra	...	...	250	17	10
To liability on bills receivable	...	...	£28,418	7	1
Of which it is expected claims on the estate amount to	...	...		327	12 0
To liability on claims upon unfulfilled contracts	...	...		1,597	0 0
				£25,562	16 4
By cash	...	...	£214	19	11
Debtors (good)	...	...		1,992	12 5
Debtors (doubtful) £347 11s. 7d., estimated at	...	...		100	0 0
Assets, stock, &c.	...	...		1,323	16 11
Surplus from security with creditors, as per contra...	...	...		250	17 10
Fixtures, household furniture, &c.	...	...		550	0 0
Yellow metal at Oporto consigned	...	...		70	0 0
				£4,502	7 1
Deduct sundries to be paid in full	...	...		559	18 7
				£3,942	8 6

It was explained that, owing to some outstanding liabilities, the amount of which, until certain bills became due, cannot be ascertained, Mr. Nichol is not in a position to make a positive offer to his creditors. He is, however, prepared to realise the estate, and guarantee assets, through the assistance of friends, to the amount of £3,500; any surplus to be likewise for the benefit of his creditors. The losses, it appears, have been principally incurred through transactions in produce; but when Mr. Nichol assumed the control of the business, shortly before the decease of his father, there was a deficiency of about £2,700. After a lengthened discussion, it was



agreed to appoint inspectors to wind up the estate, the creditors being secured the proposed amount for distribution in the early part of July, previously to which the whole of the liabilities will have run out. Under this arrangement, it is expected Mr. Nichol will resume business.

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### MERCANTILE SUSPENSIONS.

FURTHER mercantile suspensions have occurred since the appearance of the *Bankers' Magazine* for March. These comprise several metropolitan and provincial firms of importance, whose affairs have already been placed in course of liquidation.

February—Mr. G. T. Braine, London, East India trade.

Mr. A. Hamilton, New Orleans, iron trade.

March—Messrs. T. R. and W. Browning and Co., London, timber trade.

“ Messrs. Anthony Nichol and Son, London, general merchants.

“ Messrs. Fletcher, Rose, and Co., Birmingham, iron trade.

“ Mr. Thomas Spencer, Birmingham, iron trade.

“ Mr. Selby, Birmingham, iron trade.

“ Messrs. S. O. Nelson and Co., New Orleans, cotton factors.

“ Messrs. Oldfield, Allen, and Co., Huddersfield, woollen manufacturers.

The estates of Mr. Braine, Messrs. Browning, and Mr. J. L. Nichol (trading under the firm of Messrs. Anthony Nichol and Son), will respectively be wound up through the process of inspection, and the results of the balance-sheets are given in another place. The dividend in the case of Mr. Braine will be about 5s.; that of Messrs. Browning, about 9s. or 10s.; and that of Messrs. Nichol, from 2s. 6d. to 3s. in the pound. The debts and liabilities of Messrs. Fletcher, Rose, and Co., reach £80,000, and the assets are valued only at 6s. 8d. Upon debts amounting to £90,000, Mr. Spencer cannot exhibit a better dividend than 2s. The accounts of Mr. Selby represent £170,000 liabilities, with about £80,000 assets. In all these provincial failures, a large amount of accommodation paper has been afloat. Depression in the Australian trade has created the difficulties of Messrs. Oldfield, Allen, and Co., but the assets exhibit a surplus of £8,000 over £40,000 debts and liabilities. The American failures are for a large amount, but exact particulars have not transpired.

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### EXTENSION OF THE ACCOMMODATION SYSTEM.

THE late failures present many discouraging features, but none more so than those connected with the extensive circulation of accommodation paper. The Liverpool, Manchester, and Birmingham firms which have recently suspended, show on what a slight foundation many of the enormous speculative transactions of the last three years have been conducted; and, although the London houses cannot claim for themselves the credit of having entirely avoided the facilities afforded by this class of bills, they have not been so reckless in their use as their provincial friends.

The break-down of Mr. E. Oliver, whose operations were principally conducted on the credit he established with banks and parties intimately associated with his own course of trading, has exhibited the system in its worst light—it being self-evident, from the nature of the means employed, that the first pressure would produce an immediate explosion.

Strenuous as was the resistance made to the assertion that he had not conducted his business on sound and legitimate principles, scarcely a week has passed since his suspension in October, without some additional fact transpiring to prove the allegation. Not only have the assets of his estate diminished in a large proportion to what it was averred they would produce when he was first compelled to pull up, but the successive stoppages of his friends and supporters assist to elucidate the causes which have led to this result. In making an estimate of his property, he failed to recognise the liabilities he had incurred on accommodation paper; and these have increased through the inability of the individuals who were parties to them to maintain their credit.

The position of Mr. R. Jackson, who has lately appeared before the Basinghall-street Commissioners, is not an isolated instance of the manner in which these "facilities" have been obtained, or of the consequences that ensue, where they cannot be punctually discharged. In this one case alone, the bankrupt is liable on Oliver's bills for £40,500, and he states, in his evidence, that he has been assisting him in this way for the last five or six years. Others there are, who also can speak of similar transactions with similar disastrous consequences, arising from the peculiar notions of finance adopted by their patron and supporter.

In Birmingham, the iron trade has suffered largely from speculations founded on accommodation paper, which has been circulated almost on as extensive a scale as in Manchester and Liverpool. Credit, it has been said, is the life of commerce; and so it may be, but it should be regulated according to the measure of wealth possessed by the parties whose operations it is employed to maintain. If, as it appears by the suspension of Messrs. Fletcher, Rose, and Co., or Mr. T. Spencer, an undue expansion has taken place, solely with the view of temporarily enhancing their position, and staving off the evil day at the ultimate expense of their creditors, it is to be hoped such conduct will receive its merited condemnation. The accommodation system should be avoided by every trader who desires to carry out his business successfully, and the allurements which it presents not be permitted to dazzle his vision with regard to a rapid and profitable extension of business. Sooner or later, as is seen in the whole of these cases, such assistance proves little better than a rope of sand, and the mischief occasioned is of the most extensive nature.

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#### NEGOTIATION OF THE JAMAICA LOAN.

THE tenders for the £433,000 of the Jamaica Guaranteed Four per Cent. Loan, advertised on the 3rd of March, were opened at the Treasury on the afternoon of the 15th, in the presence of the Chancellor of the Exchequer, the governor and deputy-governor of the Bank, and several of the persons making tenders.

A sealed paper, with the Government *minimum* price, having been placed in the hands of the governor of the Bank, Sir C. Trevelyan proceeded to open the tenders, twelve in number, the particulars of which are as follows :—

S. F. Stanford	...	...	...	£5,000, at 101 15 0 per cent.
Governor and Company of the Bank of England	...	...	...	433,000, at 101 6 4 "
Atlas Assurance Company	...	...	...	60,000, at 101 0 0 "
Mullens, Marshall, and Company	...	...	...	45,000, at 101 0 0 "
Wm. Coles	...	...	...	2,000, at 101 0 0 "
H. G. Aldridge	...	...	...	600, at 101 0 0 "
Louis Cohen	...	...	...	18,000, at 100 13 0 "
Jamieson Brothers and Co.	...	...	...	20,000, at 100 12 6 "
Thos. Ellborough (two tenders)	...	...	...	5,000, at par.
Jones Loyd and Co., for Mr. Alcock, of Manchester	...	...	...	1,500, at par.
Arthur Butler	...	...	...	1,200, at par.

The Chancellor of the Exchequer then stated that, as the tender on behalf of the Bank was most advantageous to the public, the whole amount would be taken by that establishment, with the exception of £5,000 by Mr. Stanford, at his price.

### THE DECIMAL CURRENCY.

*On the Expediency of at once Decimalising English Moneys and Weights.*

BY J. A. FRANKLIN.

*(A paper read before the Society of Arts, February 14th.)*

*[Concluded from the March Number of the Bankers' Magazine.]*

A Bank of England note is a deposit receipt for bullion, returnable in sovereigns. In another shape it might represent mere bullion, deposited for foreign account, and returnable in any form.

Desiring, then, to speak with the utmost respect of those who look forward to such assimilations of all the nations of the earth, let us ask, are we to stand still until this desirable time be ripe? Are we to cling to a system of coins, weights, and measures, that retards the instruction of the young, and is a puzzle to all who have dealings with us, until some scheme be hit upon that all will recognise as perfect—some coin unto which, with all its divisions and multiples, every nation will at once merge its existing moneys? To say the least of it, this field of assimilation is a very wide one. Almost every country has its peculiar moneys; the one point of concert with the majority is, that they have decimal coins. Surely, then, our *first* step to an approximation with other nations, must be to adopt the decimal system.\* Other countries are changing, or seem likely to change, their standards of value, or to make important alterations in their coins, but not one of them proposes to go back from the decimal system, although many are coming to our plan of a convenient unit, reducing all below it to aliquot tokens. We have but little alteration to make in order to arrive at a decimal system—no important coin to call in or displace from its column of account. We can decimalise from the pound as it stands, without putting ourselves in a worse position to adopt anything better, if it should be found hereafter.

These beautiful diagrams, which illustrate the fluctuating relations to each other of the precious metals, I owe to my ingenious young friend, Mr. N. Joseph. They demonstrate not alone serious *ex post facto* alterations of monetary contracts, but also habitual departures from mint regulations, even when altered. These discrepancies are, probably, to some small extent attributable to the plan of double, or alternative standards. The following tables explain these diagrams:—

\* I place in the hands of the chairman a table, kindly prepared by Mr. Ralston, showing that two-thirds of the population of the world now have decimal money.

*Table showing the quantities of Fine Gold and of Fine Silver in 20 shillings, or the £1 sterling, from the Conquest to 1855, according to the Mint Indentures: and also the proportionate quantities found in each, by Assay.*

A.D.	Anno Regni.	GOLD.	SILVER.	Proportionate quantity of Fine Silver to one of Fine Gold found by Assay.
		Number of Grains of Fine Gold in the pound stig.	Number of Grains of Fine Silver in the pound stig.	
1066	William I. ....		4995·000	
1257	Henry III. ....	499·500	ditto	10
1280	8 Edward I. ....		ditto	
1344	18 Edward III. ....	407·990	4933·333	12·091
1349	23 " ....	383·705	4440·000	11·571
1356	30 " ....	358·125	3996·000	11·558
1401	3 Henry IV. ....	358·125	ditto	11·158
1421	9 Henry V. ....	322·312	3330·000	10·331
1464	4 Edward IV. ....	257·850	2664·000	ditto
1465	5 " ....	238·750	ditto	11·158
1470	" ....	ditto	ditto	ditto
1482	22 Edward IV. ....	ditto	ditto	ditto
1509	1 Henry VIII. ....	ditto	ditto	ditto
1527	18 " ....	210·149	2368·000	11·268
1543	34 " ....	191·666	2000·000	10·434
1545	36 " ....	176·000	1200·000	6·818
1546	37 " ....	160·000	800·000	5·000
1547	1 Edward VI. ....	ditto	ditto	ditto
1549	3 " ....	155·294	ditto	5·151
1551	5 " ....		400·000	—
1552	6 Edward VI. ....	160·000	1760·000	11·000
1553	1 Mary ....	ditto	1768·000	11·050
1560	2 Elizabeth ....	159·166	1760·000	11·057
1600	43 " ....	160·000	1776·000	11·100
1604	2 James I. ....	157·612	1718·709	10·904
1604	2 James I. ....	141·935	ditto	12·109
1626	2 Charles I. ....	128·780	ditto	13·346
1666	18 Charles II. ....	118·651	ditto	14·485
1717	3 George I. ....	113·001	ditto	15·209
1816	56 George III. ....	113·001	1614·545	14·287

*The relative value of Gold and Silver, variable in all countries, indicated by the number of ounces of Silver, equivalent to 1 ounce of Gold.*

	A.D. 1641. Mr. Page.	A.D. 1780. Mr. Page.	A.D. 1818. Dr. Kelly.	A.D. 1855. Annuaire Bureau des Longitude.		A.D. 1641. Mr. Page.	A.D. 1780. Mr. Page.	A.D. 1818. Dr. Kelly.	A.D. 1855. Annuaire Bureau des Longitude.
Amsterdam		14·885	15·8735		Genoa . .		14·915	15·34	Error.
Hamburgh	12·	14·171	15·		U. States . .			15·	
Paris . .	18·5	14·681	15·5	15·5	Bengal . .			14·587	
Madrid . .	12·83	15·686	16·	15·75	Madras . .			13·872	
Lisbon . .			13·56	15·48	Bombay . .			15·	
Petersburgh.			15·	15·	China . .			14·25	
Brussels . .			15·5	15·79(?)	Leghorn. . .	14·510		14·65	
Venice . .		14·779	15·		Naples . .			15·21	

The tenpenny and penny advocates demand our attention to France and the United States. Well, which of their coins are we to adopt, with any certainty that it shall continue their chief money of account? The accomplished director of the U.S. mint, Mr. Snowden, says, in his report for 1853:—

“The depreciation of the standard weight of the half-dollar and lower denominations of silver coins, authorised by the act of 3rd March 1853, has been attended with good results. \* \* \* The new issue has reached the sum of 8,654,161 dollars, which is a larger amount than we have struck during the five years preceding. \* \* \* The appreciation of silver made the alteration necessary. \* \* \* In England, since 1816, a silver currency has been maintained by similar means. \* \* \* There will constantly be a varying per centage of fluctuation (in the relative values of gold and silver), and this will sometimes be so great as to compel a legal modification of standards. \* \* \* Although our own standard of silver has so lately been changed to suit the market, there is reason to fear that the reduction of weight was not sufficient, and that another re-coinage, at no distant date, may become necessary.”

Other American writers foresee the abandonment of a silver standard for the eagle or half-eagle of gold.

Who can answer that France is not likely to alter her silver franc ere long? observing, 1st, the constant drain upon her silver coinage for the East; 2nd, the recent issue of gold 5-franc pieces to supply their place; and, 3rd, the announcement of a 4-Napoleon or 100-franc piece of gold—which would be available as a new unit of decimal account, if the  $\frac{1}{2}$ -Napoleon be not large enough. Witness the sagacious notes upon the *Compte Annuel* of the Bank of France for 1853, reviewed in the *Revue des Deux Mondes*:—

“The weight of the (French) silver piece must be reduced as in the United States, without which that description of coin must inevitably be exported to the last franc; and secondly, it will be necessary to take the monetary unit in that metal likely to circulate in greatest abundance—i. e., to settle that the franc for the future shall contain a certain weight of gold, if gold is destined ultimately to predominate.”

But, it may be asserted I am leaving out of sight that it is not merely proposed we should adopt the moneys of another state, but that a convention should be held for the settlement of international coins. Well, you have an instance before you.

There is here a collection of German coins, issued under the convention of 1838. There have been, according to Messrs. Eckfeldt and Du Bois, several such conventions; for instance, the diet of Augsburg, in 1559, under which the well-known ducat, called a “universal coin” was regulated. It exists yet, unlike from different mints, still a mere token, and occasionally at a premium against silver throughout its history. There is a later and rival ducat, originating in 1740. At Leipsic, in 1690, there was a convention for the silver money of the Northern States of Germany,—another in 1753—another in 1837, leading to the last, in Dresden, in 1838. That, after all, this convention has been partial and inefficient, seems to be admitted; notwithstanding the urgent occasion for some such correspondence (a striking illustration of which has been furnished to me by the courtesy of the Austrian consulate). While drawing up this paper, I saw it stated from Vienna—where a congress had been sitting since last November, to improve the convention of 1838—that only Austria, Bavaria, Frankfort, and Russia (qv. Prussia), had sent representatives, and that it will have separated, not only without coming to any result, but convinced of the impossibility of establishing unity between the moneys of Germany. I quote from a well-informed journal, *L'Indépendance Belge*. If the German States, with a common language, a federal union, and still more a Zollverein, necessitating a keeping of accounts against each other, cannot

maintain old treaties for a unity of monetary regulations, why should we be asked to wait until still greater complexities shall have been removed, before adopting the obviously useful expedient of decimalising that which at least is under our control?

For the large and interesting assortment of the moneys of the world, arranged in series, which lies upon the table, I am indebted to Messrs. Samuel and Montagu, the bullion merchants of Cornhill. It embraces, not alone the gold and silver coins to which my paper and tables make reference, but almost everything that can assist this investigation, including many monetary curiosities seldom brought together.

The only other suggestion for international coin which occurs to me, is the possibility of a modern coin, like the Spanish dollar of old, taking the rank and acquiring the authority of that piece. Suppose all were agreed as to whether the piece shall be gold or silver, there would still remain the question, what mint shall strike the new piece? Divers mints, diverse coins—is the teaching of all history. The United States mint charges  $\frac{1}{2}$  per cent. for expenses; France, 6·70 fr. per kilo. for gold:—1·50 fr. for silver; Great Britain, since Charles II., for gold absolutely nothing. Assuming that we shall henceforward have credit for the regulation weight and fineness of our gold coin, why shall we, on the scale of the last two or three years, continue to supply other countries with coins made out of their own materials gratis, and at an expense to us which was formerly estimated at 9s. 2d. per cent? There are gentlemen present who can tell you the enormous scale on which this losing concern has been carried on at our mint. In some other countries the sovereign is a legal tender. Even in the United States' custom-house, the sovereign, which under their old ratio of gold to silver was very equitably received at 4 dols. 44 cts., is now accepted at 4 dols. 84 cts.—a fair approximation to the theoretical equivalent which I estimate at 4 dols. 86 cents and a fraction; whereas their mint authorities, weighing large quantities, and assaying the melted mass, show that 4 dols. 84 cents. is the average product. Canada, in order to get a decimal coinage, loses more than  $\frac{1}{2}$  per cent. when she exchanges the sovereign in the United States for 4 dols. 84 cents. That the sovereign is being so extensively disseminated throughout the world, is only another argument against its extinction, and for its decimalisation.

But suppose this idea of international moneys realised, how would it work?

Let us, for the sake of illustration, assume a pair of transactions between London and Paris. A London merchant ships to order of a Paris correspondent, goods (invoiced of course in English money), total, say £100. A Paris merchant, at the same time, executes a London order to the extent of 2,500 francs, as per invoice. Now 25 francs per £1 is an arbitrary or fixed rate of exchange, called in the market "par," though not really par in any sense. To such extent as the Paris claim will pay off the London claim, say at 25 francs per £1, there is no occasion for transmission across the Channel either of coin, bullion, or any other like representative of money. Now such is virtually the case with respect to international trade generally, and money, real tangible specie, plays a very inconsiderable part even in adjusting the comparatively small balances which remain between other imports and exports. Suppose, however, that the London merchant is reduced to the clumsy expedient of remitting sovereigns to Paris, sufficient there to sell for 2,500 francs, wherewith to pay his debt; and that the Paris merchant, ignorant alike of the cross transaction, remits to London French money sufficient there to sell for £100, wherewith to pay his debt, the following are the elements which seem to me as necessary to be taken into account:—

1. The cost of packing, freight, insurance, shipping charges.
2. The cost of entry, dues, agency, &c., at place of destination.
3. The deficiency between the value, according to the Mint regulations at

home and the actual products abroad, *e.g.*, remedy or margin for weight; remedy or margin for fineness; loss by dirt; loss by wear of coin; turn of balance.

4. The brassage, mint-charge, or other analogous differences.

5. Loss of interest pending the transaction, and risks not otherwise covered.

Although the details of these several charges, as between various countries, lie before me, I will not occupy time in reading them. In round numbers, the conveyance and attendant charges from London to Paris are  $\frac{1}{2}$  per cent. But sovereigns, claiming to be 22 carats, or 916 $\frac{2}{3}$  fine, used to be treated as 915 fine only; a fact scarcely to be wondered at when we hear that before the administration of the Mint by Sir John Herschel, the requirement was not to make the coin of 11-12ths fine absolutely, but according to a certain trial plate, with a margin of allowance. Our own Bank of England does not pay more than 77s. 6 $\frac{1}{2}$ d. per oz. for cut sovereigns, although its price for bars (11-12ths) is 77s. 9d., the legal rate.\* Then there is the French Mint deduction of 6·70 francs per kilo. augmented to about  $\frac{1}{2}$  per cent. by the variable delay at the Mint. Estimate the total of these and like deductions at 1 per cent., and it results that £101 must be remitted in order to pay £100. On the other hand, if like reductions had to be submitted to on this side, there would be a like loss here, in order to pay 2,500 francs, showing an aggregate difference of 2 per cent. In practice, these aggregate differences need not be submitted to, because the debtor to Paris in London pays off the London claimant upon Paris at some rate agreed upon, as already stated. The rate to be allowed in francs for the £ depends upon the balance of claims upon, or countervailing obligations to, each country severally at the moment and at the place of settlement. Be it observed, that while the par of exchange for gold, bullion against bullion, based upon the Mint regulations of France and England severally, is 25·22155 fr. per £ here, and 25·2079 fr. per £ in Paris, the oscillations of the rate of exchange have been occasionally much greater than 2 per cent. The ability to procure silver in France for a small premium, silver saleable here for still more than the same nominal amount in gold, is another and important element of calculation. Suffice it to show that the balance of trade between two countries, which can be adjusted in so many other ways, say by national funds, shares, credits, &c., &c., is rarely adjusted by remittance of coin; even the coin of a third country is treated as mere merchandise, so that the part played by the precious metals in the interchange is principally in the shape of bullion, generally cast into ingots.†

It has been already attempted to spare the expense of coinage and the deteriorations of its wear and tear, by casting ingots of attested weight and fineness; and even by striking disks of gold and silver of size and weight adapted to convenient circulation. At the instance of Mr. D. Ricardo, the Mint once made golden ingots of 60 ounces; but I hear that the Bank got rid of 13 only out of 2,028, and melted down the rest.‡ Nay, at this present moment, as I am enabled to ascertain by the courtesy of

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\* Let us record to the credit of the Mint under the present administration, that at the recent trial of the pyx, the coinage in the aggregate was proved even superior to 11-12ths fine. I have been favoured with particulars, which, however, others may more fitly communicate.

† Recent advices from Sydney quote the exchange at 5 per cent. premium, although the currency is the same in all respects. I doubt whether dissimilar moneys are often exchanged at a loss of 5 per cent., plus three months' interest between one payment and the other.

‡ By the kindness of Mr. Haggard, of the Bullion-office in the Bank, I have here a specimen of one of those gold-bar legal tenders, and a detailed history of the whole lot.

the Consulate here, the United States' Mint charge for coining, or brassage, having been raised to  $\frac{1}{2}$  per cent, for gold, and the coinage of the new silver tokens for private depositors having been discontinued altogether, the Mints of the United States are authorised to cast bars or ingots from 10 oz. upwards, and to make and stamp disks of 1, 2, 3, 4, and 5 oz. of standard gold or silver, designating or attesting the weight and fineness in either case, and not charging the depositor more than the actual cost of operations. What has been the success of this experiment, made obviously for the purposes of international commerce? The bars or ingots reach this country in abundance, but the Bank and the Mint do not recognise the official stamps—probably because the ingots pass through private hands; so that all the expense incurred before importation is thrown away. As to the disks, although the law which gives the privilege is nearly two years old, I cannot find any one here who has seen a single specimen. A shoe, or Chinese ingot of gold, stamped all over, was submitted to me the other day, and by me exhibited at the Bank, and to the Master of the Mint. The mistrust of its stamps and attestations was justified by the result—the assay was inferior, and the touch would have been no sufficient test, for John Chinaman had probably pickled it, that is, bitten out the alloy externally by means of nitric acid.

Clearly, therefore, the work before us is to decimalise our own coins. We have nothing to gain by complicating the process from any fancied regard to foreign moneys. In short, we have no practical mode of proceeding but to take the pound as it stands.

An intelligent French *banquier* of large experience, and conscious of all the merits of the *système métrique*, tells me that all he can expect is, that we will decimalise our ancient standards, praying us not to delay what is really practicable and desirable by grasping at improbabilities.

Here is a table showing the history of French money, extending over 1,000 years.

Table showing the Progressive Alterations of the French Standards of Value.

Years.	Value of Livre in the Current Money of 1789			Years.	Value of Livre in the Current Money of 1789.		
	Liv.	Sols.	Den.		Liv.	Sols.	Den.
800 to 1103	78	17	0	1483 to 1498	4	10	7
1103 " 1180	18	18	8	1498 " 1515	3	19	8
1180 " 1226	19	18	4 $\frac{1}{2}$	1515 " 1547	8	11	2
1226 " 1314	18	8	5	1547 " 1560	3	6	4 $\frac{1}{2}$
1314 " 1322	17	8	5	1560 " 1574	2	18	7
1322 " 1350	14	11	10	1574 " 1589	2	12	1
1350 " 1364	9	19	2 $\frac{1}{2}$	1589 " 1610	2	8	0
1364 " 1380	9	9	8	1610 " 1643	1	15	3
1380 " 1422	7	2	8	1643 " 1715	1	4	11
1422 " 1461	5	13	9	1715 " 1720	0	8	0
1461 " 1488	4	19	7	1720 " 1789	1	0	0

1789. *Système métrique*. The franc substituted for  $1\frac{1}{2}$  livre.

*Variable Charges retained at the French Mint for Coining; exhibiting Changes still going on in the French Standards of Value.*

	Gold, per 3,100 francs.	Silver per 200 francs.
1803	9 fr.	8 fr.
1835	6 "	2 "
1849	6 "	1 $\frac{1}{2}$ "
1854	6 $\frac{7}{16}$ "	1 $\frac{1}{2}$ "



If the change in France to the *système métrique* has been a success, how little difficulty need we anticipate. They also had their £ s. d.—livres, sols, and deniers: the livre, their unit, also subdivided into 20ths and 240ths. But while they increased the value of the franc of circulation over the old livre of account in the ratio of 81 to 80, at the period of its decimalisation, we should scrupulously preserve the identity of our unit of circulation and of account.

One of the most inflexible sticklers for the penny—because it is a penny, confesses that the poor man, the stalking-horse whom he bestrides in the *mêlée*, has no concern with accounts, so that we only leave him the penny-piece to pay the huckster. The essayists who favour as a unit any decimal aliquot of the £, may well be content with the five-mil piece as a needful token in every possible case. Those whose aspirations are for a more catholic system, may wisely join the ranks of those who alone can promote it.

I am here passing over a suggestion of various modes by which the penny, if insisted upon, might remain intact as a current token, an alternative sort of change for a shilling; just as in several countries possessing decimal currency and accounts, there still exists a non-decimal aliquot coin, without any confusion or practical difficulty.

As to the fancied incapacity of our market people to get over the transition stage—people who habitually deal at 7 for 6d., 13 for a shilling, 4 for 3d., 2 for three-halfpence, &c.—it scarcely claims a serious thought. In the glass case on the table, among the coins of nations which have changed their system to the decimal one, will be found the new tenths side by side with old eighths, twelfths, sixteenths, &c.—alternative modes of breaking or giving change for the same unit.

The pound once decimalised, I propose to decimalise the assay of our gold coinage, just as the new qualities of gold wares sanctioned by a recent Act, has, at our instance, been decimalised by the Board of Trade and Goldsmiths' Hall.

In order not to restrict the opportunities of those who are to follow me, I will now, at the request of the chairman, omit to read an explanation of my proposals, by means of a decimalised assay of our coinage, to dispense with Troy weight, and then to establish between both English and American moneys and weights (*avoirdupois*) simple relations with the weights and moneys of the several nations which have the *kilogramme* or the *marc* of the Zollverein.

Permit me, however, to say, that it is of the greatest moment that fixed simple accepted relations between the standards of commercial countries should be concerted. Here is a table showing some disparities in respect of particular exemplars of the *kilogramme*, the *marc*, and the *lb. avoird.*

*The Three Principal Standards of Weight.*

	English Grains.	Authority.
Lb. Avoirdupois . .	7000·	Treasury Commission
	15434·	United States Mint.
Kilogramme } . .	15432·5	French Mint
	15432·348	Treasury Commission
Cologne } . .	3607·64 $\frac{11}{16}$	French Mint
Marc } . .	3608·	
Zollverein } . .	3608·9672 $\frac{1}{2}$	French Mint
Marc } . .	3609·5	Bullion-office, Bank

The Zollverein has cut the knot, and made a *Zoll-centner*, or cwt., out of 100 half-kilogrammes. France aids, by declaring the marc of the Zollverein equal to 233·855 grammes, notwithstanding that those figures appreciably

exceed the weight of the German monetary standard, the Cologne marc. I may mention incidentally that the Chinese tael is assumed to be precisely 1-twelfth of the lb. avoird.; and that Russia has a lineal measure based on the English foot.

56 sovereigns weighing one pound avoirdupois, would (at the fixed rate of 25 fr. per £) precisely purchase 1,400 silver francs, weighing seven kilogrammes. And 25 fr. per £, the conventional par of the market, the fixed rate at which English subscriptions for French loans, shares, &c., are generally computed, would make a silver franc equivalent to a 40-mil piece precisely. Ten copper pennies, if depreciated 4 per cent., would be equivalent, at such fixed rate, to a silver franc exactly. Here then is a relation established between the moneys and weights of the two countries, such as is little likely to be effected otherwise. To make French silver money, as tokens, within suitable limits, a legal tender in this country, is to do what has heretofore been done by Royal proclamation, when the five-franc piece was declared a tender for four shillings. Let us see how it would operate upon the interests of both countries. France now parts with her silver money at the legal rate of 15½ kilos. of silver for one kilo. of gold. Giving one kilo. of silver coin for £8, she would part with only 15·364 kilos. of silver per kilo. of gold. As for ourselves, we should, to such extent as French silver may suffice for change, lose any profit derived from issuing coin at 5s. 6d. per ounce, the metal of which costs less. But that gain, in respect of a considerable share of our silver tokens, is more than sacrificed by the wear and tear of the coin, replaced with new coin at the public expense. I have been favoured with statistics in proof of this, and, from another quarter, with evidence that the purchase of French tokens, instead of making our own, has already, in certain circumstances, been found economical and advantageous.

I must not now pursue this subject further. I touch upon it merely to satisfy those who yearn for international standards, that their proper place is in the ranks of those who seek immediately to decimalise the £ sterling, and the pound avoirdupois.

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#### THE PROVIDENT CLERKS' ASSOCIATION.

ON many former occasions, we have had to refer, in tones of sincere commendation, to the exertions of those who set on foot the Provident Clerks' Association. The noble donations of the "City men" to the Benevolent Fund, and the powerful advocacy of its respected treasurer, Mr. John Abel Smith, M.P., the prestige attached to the names of its trustees, foremost as they are in the mercantile world, and, above all, the sound principles on which the institution was based, secured for it, even in its earliest days, a considerable share of attention. And, in truth, it needed aids as strong as these, to enable it to cope with its difficulties. Strange to say, those for whose benefit it was established were, at first, with few exceptions, slow to give it their support. The wealthier and better paid clerks declined, in too many instances, to join an association, whose benefits they were unlikely to require, while those, on the other hand, who most needed and most desired the advantages of membership, were frequently unable to afford the necessary subscription. However, the value of the association became gradually appreciated; and, in proof of its success, we learn, from the annual report of the past year, that the Mutual Life Assurance department has already issued policies to the extent of £880,000, and has a revenue of more

than £20,000 a year; while the Benevolent Fund has accumulated some £15,000, is paying annuities of £800 and upwards to distressed members, and has effected a great amount of good, by means of gratuities and small loans, the latter to the extent of nearly £18,000.

Having thus an established position, the managers of the association have addressed to the merchants and bankers, both of London and the provinces, a circular, a copy of which is now before us, in which they urge with much force their claims to support, and further point out a mode by which a *certain* equivalent may be received by each clerk whose employer shall lend his countenance to the institution, viz., by assistance being given to the clerk to assure his life. A very small addition to the annual salary of each *employé*, would go a long way when applied as an insurance premium; and let it be borne in mind that, while the system would tend to cement a confidence between employer and employed, and would afford a strong inducement to remain in one situation, it would also relieve the employer from what the circular rightly characterises as those "distressing appeals for aid, which the death of one who has spent the greater part of his life in faithful service renders necessary." It may be urged that it is the clerks' business to make provision. Granted; but those only who have struggled to bring up a family, on perhaps a scanty salary, can tell how hardly the £5 note is spared which is to bring future, and it may be far distant aid. That this is not the excuse of all, we are well aware. The neglect of life assurance which exists among mercantile clerks has always struck us as an inexplicable phenomenon. With a fixed and tolerably certain income, with a position in society which renders pecuniary privation doubly distressing to those dependent for the bare means of existence upon the frail tenure of a single life, the merchants' or bankers' clerk would seem to be the person of all others to whom the advantages of life assurance most strongly apply; and yet the adoption of this admirable system by the clerks, as a body, is far from universal. The principle, however, which is advocated in the circular now under consideration, appears in the highest degree important. Already, the Bank of England have (it is alleged, in a somewhat arbitrary manner) converted their widows' fund into an assurance fund, though considerably shorn of its full value by unwise and unnecessary restrictions; and we learn that a proposal for assuring the lives of the clerks is at present under discussion in more than one banking house, while it has been actually adopted by several mercantile firms.

The system once commenced, we have little doubt it will be extensively followed, and assurance will probably, before long, become a regular condition in the engagement of a clerk. It is unnecessary to dwell on the advantages, both moral and material, which must ensue from the process. It is to be hoped that the circular of the "Provident Clerks' Association" will produce the desired effect. The commercial interests of this great country are too vast, for the machinery by which they are kept in motion to be lightly regarded; and hence the desirableness of extending, in every serviceable shape, the principle of life assurance among a class to whom that principle is most eminently applicable.

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that the chief influence exercised by the war has been the salutary one of calling forth produce during a period of speculative excitement among exporting houses, which would otherwise have been prolonged only to end in a general crisis, and that, consequently, if peace were restored to morrow, it could not bring back the reckless buoyancy of a year ago. The following table shows the exact increase or decrease in the shipments of each article during the past month. Those of cotton goods present a large increase, owing to the hopes of the manufacturers that foreign markets may absorb, at the present low prices, the surplus production, and prevent the necessity for curtailment:—

## DECLARED VALUE OF EXPORTATIONS.

Month ending Feb. 5.	1854.	1855.	Increase.	Decrease.
Alkali—viz., Soda ... ..	26,522	13,146	—	13,376
Beer and Ale ... ..	71,585	142,495	70,910	—
Butter ... ..	20,211	29,293	9,082	—
Candles ... ..	9,974	11,320	1,346	—
Cheese ... ..	5,452	8,745	—	1,707
Coals and Culm ... ..	99,660	142,536	42,876	—
Cordage and Cables ... ..	7,355	15,892	8,537	—
Cotton manufactures ... ..	1,781,546	2,218,059	436,513	—
Cotton yarn ... ..	451,482	403,812	—	47,670
Earthenware ... ..	76,342	74,304	—	2,038
Fish ... ..	18,668	11,258	—	2,410
Glass manufactures ... ..	81,534	89,144	7,610	—
Haberdashery and Millinery ... ..	863,790	158,924	—	204,866
Hardware and Cutlery ... ..	263,177	280,355	—	32,822
Leather... ..	113,884	99,486	—	14,398
Linen manufactures ... ..	854,915	277,218	—	77,702
Linen yarn ... ..	87,519	57,039	—	30,480
Machinery ... ..	120,850	111,765	—	9,085
Metals ... ..	774,817	823,506	48,689	—
Oil and Seeds ... ..	27,933	52,857	24,924	—
Painters' colours, &c ... ..	17,932	13,591	—	4,341
Salt ... ..	16,743	23,911	7,168	—
Silk manufactures ... ..	133,408	69,166	—	64,242
Silk, thrown... ..	24,321	7,606	—	16,715
Silk, twist and yarn ... ..	18,036	15,497	—	2,539
Soap ... ..	16,865	24,633	7,768	—
Stationery ... ..	46,495	40,175	—	6,320
Sugar, refined ... ..	21,505	7,176	—	14,329
Wool, sheep or lambs' ... ..	41,312	40,578	—	734
Woollen manufactures ... ..	730,326	461,319	—	269,007
Woollen yarn ... ..	93,934	89,477	—	4,457
Unenumerated articles ... ..	829,449	755,518	—	73,931
Total ... ..	6,692,542	6,464,796		

The quantities of imported articles taken into consumption likewise exhibit a tendency to diminution. Flour, salted provisions, cocoa, coffee, spirits, wine, fruits, spices, and tobacco, are all on the unfavourable side, although, in most cases, the falling off has not been to a very important extent. Tea and sugar show an increase.

Subjoined are the quantities of provisions, &c., imported and taken for home consumption :—

Month ending Feb. 5.	Imported.		Home Consumption.	
	1854.	1855.	1854.	1855.
Grain, wheat, qrs. ... ..	297,489	301,569	297,489	301,569
Grain of other descriptions, qrs. ...	53,137	178,459	53,138	178,459
Indian corn, qrs. ....	98,649	60,773	98,649	60,773
Flour and meal, cwt. ....	847,880	130,647	847,880	130,647
Provisions—Bacon, &c. &c., cwt. ...	10,947	22,942	Free.	Free.
Butter and cheese, cwt. ....	44,553	45,163	53,922	49,639
Animals, No. ....	7,008	8,319	Free.	Free.
Eggs, No. ....	4,618,009	4,753,400	4,628,605	4,750,400
Cocoa, lb. ....	508,432	144,208	520,827	437,770
Coffee, British, lb. ....	1,627,982	817,892	2,772,497	2,848,749
Ditto, foreign, lb. ....	456,497	1,361,541	885,916	575,510
Total coffee ... ..	2,084,479	1,679,433	3,658,413	3,424,259
Sugar—				
West India, cwt. ....	162,429	43,471	238,062	278,231
Mauritius, cwt. ....	86,750	17,244	119,914	105,335
East India, cwt. ....	55,606	13,784	162,473	88,536
Foreign, cwt. ....	74,150	28,948	129,772	199,955
Total sugar ... ..	378,935	103,447	650,221	672,057
Tea, lb. ....	7,623,067	2,626,590	4,027,610	5,196,781
Rice, cwt. ....	10,635	16,082	78,587	70,624
Spirits, gallons ... ..	448,455	296,352	485,119	440,731
Wines, gallons ... ..	442,744	287,273	578,945	521,251
Opium, lb. ....	14,772	2,629	6,974	4,964
Tobacco, lb. ....	437,374	462,688	2,692,575	2,646,061
Currants, figs and raisins, cwt. ....	40,898	24,565	16,901	17,961
Lemons and oranges, bushel ...	191,922	155,998	206,808	159,217
Spices, lb. ....	554,514	398,746	427,920	895,252
Ditto, cwt. ....	3,857	—	350	88

The following are the comparative imports and exports of raw material, showing a heavy decrease in all articles excepting tallow and hemp, sufficient, when coupled with the diminished imports of articles of food and luxury, to explain the less unsatisfactory appearance of the foreign exchanges :—

Month ending February 5.	Imported.		Exported.	
	1854.	1855.	1854.	1855.
Flax, cwt. ....	36,824	22,530	—	—
Hemp, cwt. ....	8,280	47,717	—	—
Raw silk, lb. ....	815,577	173,724	43,900	115,661
Cotton, cwt. ....	317,022	178,635	44,184	27,249
Wool, lb. ....	2,889,225	1,271,012	888,306	392,280
Tallow, cwt. ....	50,013	92,335	—	—

Of silk manufactures, the totals stand thus :—

Month ending February 5.	Imported.		Home Consumption.	
	1854.	1855.	1854.	1855.
Silk manufactures of Europe, lb.	61,539	50,389	60,081	48,139
Ditto of India, pieces ... ..	11,133	35,833	24,106	4,985

Returns were issued from the Board of Trade on the 24th of February, showing the total of exports and imports during the past year, as compared with 1853. They exhibit a decrease of £1,841,473, or rather less than 2 per cent.; but, considering that the period has been one in which an extraordinary and inevitable revulsion has been sustained from the previous speculations in the Australian and American trades, this result could hardly fail to be regarded as moderate, even if there had been no disturbance from war.

#### DECLARED VALUE OF EXPORTATIONS.

—	1853.	1854.	Increase.	Decrease.
Alkali—viz., soda ... ..	474,162	463,502	—	10,660
Beer and ale ... ..	1,291,357	1,323,747	32,390	—
Butter ... ..	401,242	423,885	22,643	—
Candles ... ..	129,595	175,852	46,257	—
Cheese ... ..	119,414	64,553	—	54,861
Coals and culm ... ..	1,604,591	2,125,758	521,167	—
Cordage and cables ... ..	226,402	312,854	86,452	—
Cotton manufactures ... ..	25,817,249	24,918,367	—	868,882
Cotton yarn ... ..	6,895,653	6,695,897	—	199,756
Earthenware ... ..	1,338,370	1,307,474	—	30,896
Fish ... ..	456,018	386,792	—	69,226
Glass manufactures ... ..	518,540	572,698	54,158	—
Haberdashery and millinery ...	4,156,494	3,679,921	—	476,573
Hardwares and cutlery ... ..	3,665,051	3,869,313	204,262	—
Leather ... ..	1,578,595	1,512,771	—	65,824
Linen manufactures ... ..	4,758,432	4,120,043	—	638,389
Linen yarn ... ..	1,154,977	942,489	—	212,488
Machinery ... ..	1,985,536	1,932,963	—	52,573
Metals ... ..	14,394,621	15,107,327	712,706	—
Oil and seeds ... ..	516,328	554,055	37,727	—
Painters' colours, &c. ... ..	324,845	365,181	40,336	—
Salt ... ..	272,173	293,459	21,286	—
Silk manufactures ... ..	1,593,849	1,226,203	—	367,646
Silk, thrown ... ..	239,296	185,220	—	54,076
Silk, twist and yarn ... ..	211,216	280,389	69,173	—
Soap ... ..	290,284	266,291	—	23,993
Stationery ... ..	618,882	713,270	94,388	—
Sugar, refined ... ..	301,627	219,322	—	82,305
Wool, sheep or lambs ... ..	423,860	754,490	330,630	—
Woollen manufactures ... ..	10,172,182	9,121,186	—	1,050,996
Woollen yarn ... ..	1,456,786	1,557,459	100,673	—
Unenumerated articles ... ..	11,546,154	11,589,577	43,423	—
Total ... ..	98,933,781	97,092,308		

The foregoing table exhibits the extent to which the various branches of industry have been acted upon. Woollen, cotton, linen, and silk manufactures have all suffered severely, but the metal and hardware trades have been well maintained. In the early months of the year, there was generally an increase in the totals over those of 1853, but, since September, the contraction has been rapid and continuous.

As regards imports, the chief point for notice in the comparison of the two years consists in the lessened supply of wheat and flour. Of other articles, the consumption has been remarkably steady, most of them showing a larger increase than was to have been anticipated. The quantities of tea, sugar, and cocoa taken into use have been very great, and coffee and spices likewise present an augmentation. The imports and consumption of fruits continue to show a diminution, owing to the currant blight. Of salted provisions, the arrivals have been extremely heavy, to meet the demand created by the war. In the consumption of wines, spirits, and tobacco, there has been no material variation.

Subjoined are the quantities of provisions, &c., imported and taken for home consumption :—

	Imported.		Consumption.	
	1853.	1854.	1853.	1854.
Grain, wheat, qrs. ... ..	4,915,430	3,431,277	4,951,310	3,468,746
Grain of other descriptions, qrs...	2,387,695	2,069,573	2,400,683	2,096,108
Indian corn, qrs. ... ..	1,544,483	1,349,698	1,552,934	1,358,380
Flour and meal, cwt. ... ..	4,638,010	3,705,161	4,662,948	3,739,106
Provisions—Bacon, pork, &c., cwt.	660,535	1,051,275	Free.	Free.
Butter and cheese, cwt. ... ..	799,693	874,496	781,322	869,453
Animals, No... ..	397,430	308,857	Free.	Free.
Cocoa, lb. ... ..	8,283,694	6,258,415	4,126,687	4,563,782
Coffee, British, lb. ... ..	38,305,969	48,934,814	28,150,525	30,920,743
Ditto, foreign, lb.... ..	17,328,764	17,556,858	8,941,245	6,550,228
Total coffee ... ..	55,634,733	66,501,672	37,091,770	37,470,970
Sugar—				
West India, cwt. ... ..	2,830,724	3,444,459	3,061,985	3,153,598
Mauritius, cwt... ..	1,252,207	1,645,228	1,345,846	1,489,085
East India, cwt. ... ..	1,223,959	786,223	1,365,003	991,829
Foreign, cwt. ... ..	1,977,400	3,220,342	1,535,145	2,461,969
Total sugar ... ..	7,284,290	9,096,252	7,807,980	8,096,481
Tea, lb. ... ..	70,735,135	85,792,760	58,860,147	61,970,347
Rice, cwt. ... ..	1,504,629	1,843,215	797,039	846,475
Spirits, gallons ... ..	9,500,659	11,690,262	5,131,620	5,115,908
Wines, gallons ... ..	11,029,568	10,877,270	7,197,620	7,149,589
Opium, lb. ... ..	159,312	97,427	67,038	61,482
Tobacco, lb. ... ..	44,982,119	35,202,914	29,737,565	30,543,583
Currants, figs, and raisins, cwt...	764,506	437,156	472,588	448,193
Spices, lb. ... ..	7,295,729	12,528,609	4,095,998	4,309,800
Ditto, cwt. ... ..	18,678	20,198	3,746	8,635



The following are the comparative imports and exports of raw material, showing some diminution, although not to a satisfactory extent, in articles of Russian produce. The total of hemp, however, comprises large arrivals of jute from India :—

—	Imported.		Exported.	
	1853.	1854.	1853.	1854.
Flax, cwt. ... ..	1,883,374	1,303,235	—	—
Hemp, cwt. ... ..	1,237,872	1,211,297	—	—
Raw Silk, lb. ... ..	6,480,724	7,535,407	433,872	1,096,303
Cotton, cwt. ... ..	7,993,560	7,922,642	1,326,515	1,121,025
Wool, lb. ... ..	117,248,182	104,854,482	11,697,004	24,467,284
Tallow, cwt. ... ..	1,175,754	754,359	—	—

Of silk manufactures, the totals stand thus :—

—	Imported.		Home Consumption.	
	1853.	1854.	1853.	1854.
Silk manufactures of Europe, lb.	793,848	817,043	751,275	791,207
Ditto, of Indian pieces ... ..	476,389	500,529	166,316	160,431

With respect to other articles, it appears that the receipts of dyes and dyeing stuffs have been steady. Glass manufactures exhibit a continuous increase, but in those of leather, with the exception of gloves, there has been a falling off. Guano has been taken to nearly twice its extent in the preceding year, and palm and cocoa-nut oil have been brought in largely, in consequence of the rise in tallow. In the importations of timber, the aggregate quantities show little difference from those of the preceding year, but there has been more of British and less of foreign.

The above returns embrace the month ending the 5th of January last, during which the falling off in the declared value of our importations was only £143,898.

### TIGHT TIMES.

[The following smart specimen of Yankee pen and ink sketching is extracted from a late American paper.]

"THIS fellow is around again. He has been in town for a week. He may be seen on 'Change every day. He is over on the pier, along Quay-street, up Broadway, stalks up State-street, looks in at the banks, and lounges in the hotels. He bores our merchants, and seats himself cosily in lawyers' offices. He is everywhere.

A great disturber of the public quiet, a pestilent fellow, is this same Tight Times. Everybody talks about him, everybody looks out for him, everybody hates him, and a great many hard words and no little profane epithets are bestowed upon him. Everybody would avoid him if they could, everybody would hiss him from 'Change, hoot him off the

pier, chase him from Quay-street, hustle him out of Broadway, kick him out of the banks, throw him out of the stores, out of the hotels, but they can't. Tight Times is a bore. A burr, he will stick. Hints are thrown away on him, abuse lavished in vain, kicks, cuffs, profanity, are all thrown away on him. He is impervious to them all.

An impudent fellow is Tight Times. Ask for a discount, and he looks over your shoulder, winks at the cashier, and your note is thrown out. Ask a loan of the usurers at one per cent. a month, he looks over your securities and marks two and a half. Present a bill to your debtor, Tight Times shrugs his shoulders, rolls up his eyes, and you must call again. A wife asks for a fashionable brocade, a daughter for a new bonnet; he puts in his caveat, and the brocade and bonnet are postponed.

A great depreciator of stocks is Tight Times. He steps in among the brokers and down goes Central to par, to ninety-five, ninety, eighty-five. He plays the deuce with Michigan Central, with Michigan Southern, with Hudson River, with New York and Erie. He goes along the railroads in process of construction, and the Irishmen throw down their shovels and walk away. He puts his mark upon railroad bonds, and they find no purchasers, are hissed out of the market, become obsolete, absolutely dead.

A great exploder of bubbles is Tight Times. He looks into the affairs of gold companies, and they fly to pieces; into kiting banks, and they stop payment; into rickety insurance companies, and they vanish away. He walks around corner lots, draws a line across lithographic cities, and they disappear. He leaves his foot-print among mines, and the rich metal becomes dross. He breathes upon the cunningest schemes of speculation, and they burst like a torpedo.

A hard master for the poor, a cruel enemy to the labouring masses, is Tight Times. He takes the mechanic from his bench, the labourer from his work, the hod-carrier from his ladder. He runs up the prices of provisions, and he runs down the wages of labour. He runs up the price of fuel, and he runs down the ability to purchase it at any price. He makes little children hungry, and cry for food—cold, and cry for fire and clothing. He makes poor women sad, makes mothers weep, discourages the hearts of fathers, carries cares and anxiety into families, and sits a crouching desolation in the corner and on the hearth stones of the poor. A hard master to the poor is Tight Times.

A curious fellow is Tight Times, full of idiosyncracies and crotchets. A cosmopolite—a wanderer, too. Where he comes from nobody knows, and where he goes nobody knows. He flashes along the telegraph wires, he takes a free passage in the cars, he seats himself in the stages, or goes along the turnpikes on foot. He is a gentleman on Wall-street to-day, and a back settler on the borders of civilisation to-morrow. We hear of him in London, in Paris, in St. Petersburg, at Vienna, Berlin, at Constantinople, at Calcutta, in China, all over the commercial world, in every great city, in every rural district—everywhere.

There is one way to avoid being bored by this troublesome fellow,

**Tight Times.** It is the only way for a country, a city, a town, as well as individual men, to keep shut out of his presence always. Let the country that would banish him beware of extravagance, of speculation, of over-trading, of embarking in visionary schemes of aggrandizement. Let it keep out of wars, avoid internal commotions, and go right along, taking care of its own interests, and husbanding its resources. Let the city that would exclude him be economical in its expenditures, indulging in no schemes of speculation, making no useless improvements, building no railroads that it cannot pay for, withholding its credit from mushroom corporations, keeping down its taxes, and going right along, taking care of its own interests, and husbanding its own resources. Let the individual man who would exclude him from his domestic circle be industrious, frugal, keeping out of the whirlpool of politics, indulging no taste for office, holding up his dish when pudding falls from the clouds, laying by something when the sun shines, to make up for the dark days—for,

“Some days must be dark and dreary;”

working on always with a heart full of confidence in the good providence of God, and cheerful in the hope of “the good time coming.”

## **Banking and Commercial Law.**

### **THE LAW OF STOLEN NOTES.**

THE conduct to be pursued in the event of a robbery of notes, and the liabilities of those who may unfortunately be connected with the notes stolen, have lately occupied the attention of the Court of Queen's Bench. A full report of the case will be found in another part of this magazine. The facts are shortly these: Messrs. Brown and Co., of Liverpool, were robbed of Bank of England notes to the value of £3,000, in November, 1852. They did all they could to prevent the notes from being taken by any banker or money-changer. In the words of the counsel at the trial—“They called in the aid of the police, who caused notices of the robbery, with the numbers of the notes, to be printed in English and French, and circulated amongst all the bankers and money-changers in Europe.” Payment of the notes was, of course, stopped at the Bank. Five of the stolen notes of £500 each were cashed in Paris, in June, 1854 (nearly two years after the robbery), by some money-changers there. Counsel further said—“By all that could be learnt, there was little doubt that these money-changers in Paris held themselves out to be the receivers of stolen notes of this description\*—on what terms, it was

\* It will be seen that the widow Spielmann, in a letter to the editor of the *Bankers' Magazine*, inserted elsewhere, indignantly repudiates this allegation.

not known." The action was brought by the London correspondent of the Paris money-changer, to recover the amount of two of the stolen notes for £500 each. The plaintiff, who lives in London, had received those notes from his brother, who lived in Paris. The Bank refused payment, and the action was accordingly brought. Lord Campbell, who tried the case, said—"He was truly glad that the determination of this case was to be submitted to such a tribunal as a special jury of the City of London. It was a pure question of fact, which was peculiarly for gentlemen of their experience of the world and knowledge of business to decide on." Notwithstanding all this, it will be seen that the case was very far from being decided by the jury, and that it has to be discussed elsewhere. This is not the first time that Lord Campbell has delivered himself of congratulations from the bench, which proved to be at least premature. There are some points of immediate interest to our readers, on which we propose to offer a few remarks.

1. The conduct to be pursued by the loser of the notes. It is plain that the most extensive notices of the robbery, and the fullest particulars of the stolen notes, should be given immediately. All the police machinery which this and foreign countries possess should be called into requisition. Nothing which suggests itself as likely to be useful should be neglected.

2. The conduct of those who receive the stolen notes. One of the chief witnesses on behalf of the plaintiff, in this case, thus describes his course of business :—"If a notice of stopped notes was served on me, I should take a note of it, and put it up for reference in the office in a conspicuous place. We have no book on purpose, as the occasion is so rare; but we enter them sometimes in our day book, in the page of the day. If we were obliged to look into our book for every note that is changed, we should have too much to do, and the customer would go elsewhere. We only look at the notices which are stuck up, and make inquiries in cases where we have any suspicion. When a note is presented, payable to order, we require to see the passport of the person presenting it; but we are not entitled to ask this when the note is payable to bearer."

The course here detailed may be sufficient, when notes of small amount are exchanged under ordinary circumstances, but when it is applied to notes of £500, it seems insufficient. The presentation of such large notes must be rare. Surely some knowledge, or some reference, or some means of finding the party again, who presents a note of such an amount, should be required. We appreciate the dangers and inconveniences of throwing any unnecessary difficulty in the way of the circulation of English bank notes in foreign countries; but, in

the present instance, we think the Bank of England were justified in the course they took, however the case may terminate in the court of law.

Our readers will find a complete treatise on the law of stolen notes, in Vols. II. and III. of the *Bankers' Magazine*.

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## Legal Miscellany.

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ROBBERY OF NOTES.—SPIELMANN v. THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND.

*Court of Queen's Bench, February 21.—(Before Lord CAMPBELL.)*

THIS was an action brought against the Governor and Company of the Bank of England, to recover the sum of £1,000 and interest, on two Bank notes for £500 each, which had been refused payment by the Bank. The defendants pleaded that, before the notes were presented for payment, they had been stolen from Messrs. Brown and Shipley, of Liverpool, and that the plaintiff had taken the notes without value and with notice that they had been so stolen. The Attorney-General and Mr. Hawkins appeared for the plaintiff; Sir F. Kelly and Mr. Bovill represented the defendants.—The proof of this issue being on the defendants.

Sir F. Kelly stated the case to the jury. He said that he had the honour to appear as counsel for the Bank of England, who came here to-day to resist payment of the two notes of £500 each, of which the plaintiff was the holder. It was with great reluctance that the Bank appeared to resist the claim, but they felt called on to do so, and to lay before the jury the case which he was instructed he should do. The case affected the commercial interests of England and France, and also the interests of justice in both countries. The plaintiff, it would appear, was a bullion merchant in Lombard-street, London, and he claimed the payment of these notes from the Bank of England under the following circumstances:—On the 13th of November, 1852, Messrs. Brown and Shipley, of Liverpool, received large remittances, amongst which were five notes of the Bank of England for £500, and other notes, amounting to £500. These notes were sent to the Branch Bank of England at Liverpool, for transmission to London. The notes were given to a clerk, who was robbed of the notes in the Bank. The Messrs. Brown and Co. did all they could to prevent the notes being taken by any banker or money-changer. They called in the aid of the police, who caused notices of the robbery, with the numbers of the notes, to be printed in English and French, and circulated amongst all the bankers and money-changers in Europe. Nothing, however, was heard of the notes until June, 1854, when one of the five notes was presented for payment, by a clerk in the employ of the plaintiff, at the Bank of England. The note was stopped, when the clerk said that he thought something was wrong, as they had been ordered to telegraph to Paris if the note was stopped. A reference was made to the plaintiff, who came to the Bank. He said he had received the notes from a person named Monteaux, at Paris. The note was returned to him, and he was told that payment would be refused. The question for the jury would be, whether, in this case, the plaintiff was the *bona fide* holder of this note for value, or whether his brother, Meyer Spielmann, who is a money-changer in Paris, was. If they were aware, at the time they took the notes, that they were the produce of a felony, then they were not entitled to recover on the notes. If it was shown that the notes were

stolen notes, then the claimant was bound to show the *bona fides* of his conduct, and that he gave value for the notes without notice of the felony. Facts would be laid before the jury which it was thought would leave no doubt in their minds that the plaintiff and his brother were both aware of the fact of the notes being stolen. It would appear that these stolen notes did not see the light from November, 1852, until June, 1854, when the five £500 notes found their way into the hands of five money-changers in Paris, two of which came into the hands Meyer Spielmann, a money-changer, in the Rue Vivienne, at Paris; and he sent them over to his brother Adam, who presented them at the Bank. On inquiry being made, the most conflicting statements were given as to how they became possessed of them; and, by all that could be learnt, there was little doubt that these money-changers in Paris held themselves out to be the receivers of stolen notes of this description—on what terms, it was not known. The learned counsel then detailed the facts, which were afterwards proved in evidence, on which he relied to show the *mala fides* of the plaintiff and his brother when they received the notes. The Attorney-General said that he was quite satisfied that Brown, Shipley, and Co. were robbed of these notes, and would not put Sir F. Kelly to prove that. It was then admitted that the robbery was on the 13th of November, 1852, in the Branch Bank of England at Liverpool, where Brown and Co.'s clerk was going to deposit them. The numbers of the two notes sued on were 93,076 and 93,509, and they were of the same date. A number of witnesses having been called, in support of the defendant's case—

The Attorney-General addressed the jury for the plaintiff. He said that no doubt this defence, though the defence of Messrs. Brown, and not of the Bank of England, was an honest one; but the real question was not between the Bank of England and the plaintiff, but simply between him and Brown and Shipley. It was admitted that the notes were stolen from that respectable firm, but there was no proof whatever either that Meyer Spielmann or Adam Spielmann had ever received any notice of that robbery. It was clear that some person connected with that robbery had gone to Paris and passed off the various notes, one each to five money-changers in Paris, at a time when he thought the money-changers had forgotten all about it. The learned counsel then commented at length on the case set up by the defendants, and said that he should call witnesses before them, who would most clearly show the complete *bona fides* of the whole transaction, from the beginning down to the present moment. The plaintiff, his clerk, and an agent of police at Paris, were then examined in support of the case.

Lord Campbell, in summing up, said that he was truly glad that the determination of this case was to be submitted to such a tribunal as a special jury of the City of London. It was a pure question of fact, which was peculiarly for gentlemen of their experience of the world and knowledge of business to decide on. He (Lord Campbell) did not think it would tend to assist them to read over all the evidence which had been given in this protracted trial. He would therefore first give them his direction in law, and then comment on the leading features of the case. Now it was admitted that these notes were stolen, and that being so, those who claimed upon them must show their title. Generally, if a party sued on a security of this kind, it was enough to show that he was a holder; but here there had been a stealing of the security, and the party claiming on it must show that he gave value for it, and that *bona fide*—that was, fairly and honestly. The question, therefore, which he should leave to them was, first, whether Meyer Spielmann became the holder of these notes *bona fide* and for value? With regard to the notices said to be served on Adam Spielmann and Meyer Spielmann, it had been contended for the defendants that, if that was proved,

it was conclusive in favour of the defendants. That was not so, but no doubt it would be strong evidence to show *mala fides*. His lordship then commented on the evidence at some length, and eventually left these questions to the jury:—First, did Meyer Spielmann become the *bond fide* holder of the notes for a valuable consideration on the 25th of June? Secondly, did Adam Spielmann receive them *bond fide* as a remittance from Meyer Spielmann? And, third (at the request of the defendants' counsel), whether the notices were left at the places of business of Meyer and Adam Spielmann?

The jury retired to consider their verdict, and, after being absent a considerable time, came into Court, and said that they could not agree on the specific questions which his lordship had proposed to them, and wished to know whether they could not give a general verdict? Lord Campbell stated that he wished a separate answer to be given to the questions. The jury then found the third question in the affirmative. His lordship having handed the two first questions on the paper to the jury, they retired, and, after a further consultation, found that the Spielmann in Paris had not possession of the notes for *bond fide* consideration, but that Adam Spielmann, the plaintiff, had, as a remittance from his brother. Lord Campbell, on being informed of the finding this morning, ordered the verdict to be entered for the defendants, leave being given to move the Court to enter it for the plaintiff.

**DISHONOURED CHEQUE—WHITE v. SCOTT, P. O. OF THE UNION BANK LONDON.**

*Court of Common Pleas, Guildhall, February 19.—(Before Lord Chief Justice JERVIS and a Special Jury.)*

THIS was an action for the dishonour of a cheque, to which the defendants pleaded payment into Court of £10.

Mr. Serjeant Byles and Mr. Aspland were counsel for the plaintiff; and Mr. James and Mr. Finlason, for the defendants.

The plaintiff, who is an auctioneer in Bishopsgate-street, was employed last December by a Mr. Newton to sell a quantity of boring tools, a steam engine and plant, which it was expected would realise about £800. On the 9th of the month, he gave Mr. Newton a cheque for £40 on the defendants' bank, in advance of the money to be received from the sale. The plaintiff had for some time previous to that day a small account with the defendants, and had then a balance of £127 5s. 3d. On the cheque being presented, however, by Mr. Newton, it was, after a short delay, returned with "N. S." marked on it, meaning that the plaintiff had not sufficient effects. Mr. Newton consulted a friend, and afterwards went to the plaintiff, and obtained from him the bill of sale, vesting the property intended to be sold in Mr. Newton, and also the instructions for sale by the plaintiff, and, having obtained these documents, informed him of the dishonour of the cheque. An application was immediately made at the bank, and the reply by one of the clerks was, that there had been a mistake between the accounts of Edwin White and Edward White. A few days after, however, the clerk who had made the true mistake, informed the plaintiff that his account had been miscalculated by £100, so that, when the cheque was presented, he appeared to have only £27 5s. 3d. The clerk also told Mr. Newton of the mistake, and was assured by him that it made no difference, as he had since arranged to sell the property by private bargain. He, however, gave evidence to-day, that if the cheque had been honoured, he would in all probability have had the things sold by auction. If they had been so sold, the plaintiff would have made £40 by the transaction.

The Chief Justice directed the jury, in accordance with the law recently held by the Court of Exchequer, in *Hadley v. Baxendale*, that the damages should be such as might reasonably be considered to be in the natural and ordinary contemplation of both parties at the time of the cheque being dishonoured. The defendants knew that the plaintiff was an auctioneer, but they did not know of any special damage that followed as a consequence of the mistake of their clerk.

The jury gave a verdict for the plaintiff—damages £40, beyond the amount paid into Court.

JOINT CHEQUE—OTHER *v.* IVESON.

*Vice-Chancellors' Courts, March 14.*—(Before Vice-Chancellor Sir R. T. KINDERSLEY.)

This bill was filed by the Swaledale and Wensley Dale Banking Company, to recover against the real estate of William Iveson, deceased, £500, which the company had advanced in June, 1848, upon a joint cheque drawn by William Iveson and his brothers, in this form:—

“*Hawes, June 2, 1848.*

“Swaledale and Wensley Dale Banking Company, Hawes. Pay to selves or bearer five hundred pounds.

WILLIAM IVESON,  
ARTHUR IVESON,  
THOMAS IVESON.”

£500.

This cheque was paid in January, 1849. William Iveson died, having devised his real estate to trustees for sale, and bequeathed his personalty to the defendants. The banking company then brought an action against Arthur Iveson and Thomas Iveson, as the executors of William Iveson, and they suffered judgment to go by default, and execution was levied upon his goods, but only £28 was realised; and this bill was filed in consequence, seeking to charge the real estate with the amount due on the cheque, on the ground that the cheque constituted a joint and several liability, and that, in fact, William Iveson was a surety for his brothers, and that the banking company only agreed to lend the money on that footing.

Mr. Glasse and Mr. Fleming appeared for the plaintiffs.

Mr. Baily and Mr. Birkbeck, for the defendants, argued that there was no contract within the Statute of Frauds, and even if there was, and William Iveson was a surety, he being dead, the plaintiffs could not go against his estate.

Mr. Whately appeared for the executors.

The Vice-Chancellor thought that the plaintiffs were not entitled to recover on the cheque, which, he was of opinion, constituted a joint liability only. The cheque was drawn by, the money borrowed by and paid to, the three brothers jointly; and, although it might be that, by the *lex mercatoria*, some instruments in terms joint were held joint and several, yet that depended on the intention of the parties, and, there being nothing in the present case indicating anything but an intention to take a joint loan, the responsibility and receipts being joint, to hold otherwise than that it was a joint transaction would be to hold that there was no distinction between joint and several instruments. There being nothing to prove that either Arthur or Thomas joined as sureties for William, there was no more proof that William was surety for them. The bill must be dismissed, with costs.



## Bank Meetings.

### BANK OF ENGLAND.

THE half-yearly general Court of Bank stock proprietors took place on the 15th of March, for the purpose of declaring a dividend. The attendance, however, was not numerous. At 12 o'clock precisely, the governor (Mr. J. G. Hubbard), the deputy-governor (Mr. T. M. Weguelin), with the other directors, entered the Bank parlour, and the proceedings commenced.

The Secretary (Mr. J. Bentley), having read the minutes of the last general Court, they were unanimously confirmed.

The Governor then said,—I have to acquaint the Court that this is one of the quarterly general Courts appointed by the charter, and also one of the usual half-yearly Courts, appointed by the 12th bye-law, to consider of a dividend. I have further to acquaint the Court that the profits for the half-year ending the 28th of February last, were £600,222 12s. 9d., making the "rest" on that day £3,600,254 4s. 10d. After declaring a dividend of 4 per cent., the "rest" will be £3,018,134 4s. 10d. (Hear.) The Court of Directors therefore recommend that a dividend of 4 per cent. be made for the half-year ending the 28th of February last, without deduction on account of income tax. (Hear.) I have, therefore, now to propose, in the terms I have already stated, that a dividend be made accordingly.

The motion was put, and carried unanimously.

The Governor—I have now to acquaint the Court that the dividend warrants will be ready for delivery on Saturday, the 7th of April. I move that this Court do now adjourn.

Mr. M. Clark—Before that resolution is put, I think that we ought, as usual on similar occasions, to recognise the services of the governor and directors by a vote of thanks, since it will look cold and indifferent if we allow their management to pass unnoticed, the excellent result of which has just been exhibited by the declaration of a dividend of 4 per cent. I therefore beg to move a resolution in accordance with this opinion. (Hear.)

The resolution having been seconded by an hon. proprietor, it was adopted unanimously.

The Governor—The Court of directors must always be extremely sensible and gratified, when they receive the approval of the proprietors, as they have now done, for their management of the company's affairs. It is highly satisfactory to them to know, as proved by the little that has been said on the present occasion by the proprietary, that they possess the entire and full confidence of the proprietors, for which the Court of directors now return their best acknowledgments and thanks. It only remains for me to move that this Court do now adjourn.

The Court then adjourned.

### CHARTERED BANK OF ASIA.

A MEETING of the proprietors of the Chartered Bank of Asia was held on the 23rd February, when a report was presented respecting the proposed amalgamation of the Chartered Bank of Asia with the Mercantile Bank of India, London, and China. Down to November and December last, the negotiations had resulted in a satisfactory adjustment of all points of practical importance; but, since then, a "doubt" of technical and legal description had arisen, which had occasioned delay in concluding the formal terms of amalgamation. The board of directors, however, were in possession of the

highest legal authority for believing the doubt to be erroneous; but the representatives of the Mercantile Bank of India, London, and China, having considered the decision of the point not to be included in their powers, had referred the subject to the directors of their bank in Bombay, for additional instructions and authority. The directors of the Chartered Bank of Asia, from the negotiations which had lately taken place, confidently anticipated that the views of the directors of the Mercantile Bank of India, London, and China, would be in accordance with theirs upon the doubt. Nevertheless, as the result of the reference to Bombay could not be known in London for at least seven or eight weeks, they had thought it incumbent upon them, without further delay, to call the meeting, for the purpose of acquainting the proprietors with the present state of the negotiations. After some explanation, the shareholders expressed the greatest confidence in the board of directors, adopted the report unanimously, and requested the board to continue their efforts for prosecuting the amalgamation to maturity.

#### CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.

THE first ordinary general meeting of the shareholders of this company was held at their offices, at the South Sea House, on the 28th of February, T. A. Mitchell, M.P., in the chair. The report was as follows:—

“In March, 1854, the directors published a statement, explanatory of the origin of this bank, and of the difficulty in obtaining its charter, arising almost entirely from the necessity of conciliating the Government and the East India Company as to its extension to India, which had, up to that time, delayed its progress. The shareholders were reminded that the main objects in view in the establishment of the company, as stated in the prospectus, were—

1st.—To extend the legitimate facilities of banking to the vast and rapidly increasing trade between the Australian Colonies, British India, China, and other parts of the Eastern Archipelago—a field then unoccupied by any similar institution. 2ndly.—To embrace, in connection therewith, an extension of banking accommodation to the direct trade of British India, China, and Australia, with this country, inadequately provided for.

It was also shown how rapidly the trade had sprung up and increased between the colonies of Australia, India, the Eastern Archipelago, and China, even before the gold discoveries; how that trade had been, and was likely to be, extended; and what an important opening there was for increased banking accommodation in India, owing to the failure of many large agency houses, and to the withdrawal, by the East India Company, of its accommodation by advances on bills of lading. The shareholders will not have forgotten the very favourable manner in which the objects of this company were originally regarded. The directors have not changed their opinion on the subject. They have watched the progress of other banking companies, which were started at the same time; and they are confirmed in their estimate of the superior advantages which this institution possesses in its more extended sphere of action. The directors cannot but regret that the delay in obtaining the charter, whilst other banks were raising their capital, has necessarily kept this bank in abeyance. And they have also to regret that the changes in the money market should have led to those proceedings on the part of a portion of the scripholders, which have further retarded the undertaking; and which would be a matter of still more regret, if the result had not had the effect of establishing judicially the validity and value of the charter. The directors have long been impressed with the conviction, arising from a view of the money market in the prospect of a prolonged state of war, that amalgamation with some other banking company would be expedient. They have also been alive to the importance of

including in their proprietary body, shareholders of wealth and influence more immediately connected with India, where the operations of the company will necessarily be on a considerable scale. They have now the satisfaction to announce, that negotiations of a promising nature were entered on in the month of December last, which, if attended with the success the directors expect, will place the bank at once in a position to commence its operations under the charter, with a business already established; and this arrangement is greatly facilitated by the retirement of the dissentient scrip-holders, which has been secured without any diminution of the funds of the company. The balance-sheet, which the directors now submit, is of a simple nature. They have studied to exercise the strictest economy and prudence in the administration of the bank's funds; and, notwithstanding the law charges which have been unavoidably incurred, they believe that the preliminary and current expenses of the bank will be considered unusually light, as compared with those of institutions similarly situated."

*Balance-sheet, 31st December, 1854.*

LIABILITIES.

*Dr.*—Capital paid up, viz. :—

Deposit of £2 per share on 32,200 shares	£64,400	0	0
First call of £2 per share on 16,620 ...	33,240	0	0
Paid on account of further calls ...	60	0	0
			<u>£97,700 0 0</u>

Profit and loss account, viz. :—

Interest ... ..	£5,355	11	1
Less interest allowed on first call ... ..	568	5	6
			<u>£4,787 5 7</u>
Surplus and other sources ... ..	2,541	5	0
			<u>£7,328 10 7</u>

Less salaries and other office expenditure, commencing 8th October, 1852...	2,056	13	6
			<u>5,271 17 1</u>
Unclaimed interest, due on first call ... ..			31 17 3
			<u><u>£103,003 14 4</u></u>

ASSETS.

<i>Cr.</i> —Securities bearing interest ... ..	£92,043	15	3
Cash on hand, and at bankers' ... ..	7,069	1	1
Preliminary expenses, viz. :—Disbursements for law expenses, fees relating to charter, stock-brokers' commission, advertising, office furniture, &c. ... ..	3,890	18	0
			<u>£103,003 14 4</u>

N.B.—Balance of current law expenses, and fees connected with deed of settlement, still outstanding.

The Chairman, in moving its adoption, together with the balance-sheet, observed, that the latter required no explanation; the affairs of the bank had been so managed, that, at the present moment, its capital was not at all impaired. That was a circumstance of which very few new institutions could boast—seeing that there were always very heavy expenses attending the attainment of the charter of incorporation from the Government, and

seeing also that this company had been unfortunately involved in litigation, which, he was happy to say, was now entirely at an end. (Hear.) When it was proposed to him to join the bank (and he might observe that it was the first institution of the kind he had ever been connected with), he agreed to become a member of the board of directors, feeling that it would not merely turn out advantageous to the shareholders, but was calculated to fill a great gap in the trade of our colonies. The formation of the company took place about two-and-a-half years ago, since which period, no circumstance had occurred to reduce, in the slightest degree, their prospects of ultimate success. He believed the field for banking operations in British India, China, and Australia, and in the trade between those countries and England, was increasing yearly, more especially in reference to India. With regard to Australia, he, for one, did not regret that hitherto this bank had been out of the field; for he believed, when the present state of over-trading there should have ceased, the trade of that colony would be improved, and be more safe, and that there would be a far better opening for the operations of a new bank, than at present. The directors, entertaining these views, had endeavoured to carry out the undertaking. Practically, they had but one competitor—viz., the Oriental, which was the only one possessing the same banking powers as this company had in regard to all these countries. Unfortunately, perhaps, the undertaking, when it was started, was regarded with too much favour by the public; the consequence of which was a rapid rise in the premium upon the shares. In the course of a very few months after the announcement of the project, the shares, upon which only £2 had been paid, went up to 3 premium, or 150 per cent. That he regarded as an unlucky circumstance; for, although the directors had, in the first instance, taken care to select a proprietary that was likely to do justice to the undertaking, and meet all claims that could be made upon them in respect to it, the temptation of the high premium induced many of the original allottees to sell their shares, which, in this way, fell into weaker hands. A strong call was then made to the directors, by some of these parties, to abandon the undertaking altogether. Their (the directors') own feeling was, that the field for the operations of the bank had undergone no change; and, with one exception, the unanimous opinion of the board was, that, having entered into the project, and nothing having occurred to shake their confidence in its ultimate success, they were bound, in duty to those shareholders who had, in the first instance, taken the same view with themselves, and subscribed their capital, to go forward with it, if they possibly could. They had endeavoured to do so, but the long delay which had occurred in obtaining the charter—owing, he must say, in a great degree, to the hesitation of the East India Company—unfortunately brought them to a period of pecuniary pressure; and, much of the scrip being in weak hands, it was found necessary to look for extraneous assistance, to enable them to commence operations. They had accordingly made proposals for an amalgamation with one of the banks in India, and whether those proposals would be successful or not, he could not now say; but the answer would probably arrive at the end of March, or the beginning of April, and, should they result in an arrangement, the proprietors would be called together to consider the terms, and of course to give their consent to it, before it was ratified. (Hear.)

A Scripholder wished for some information as to the proceedings with regard to the dissentient shareholders. What had become of their shares, some 10,000 or 15,000, he believed, in all? Were they held by the directors on behalf of the company, or not? He wished also to know whether each of the directors held the full complement of 1,000 shares, which was, he believed, a necessary qualification for a seat at the board.

The Chairman replied that the directors were precluded by the charter from buying or dealing with shares on account of the company; consequently, the shares alluded to were not held by them. The qualifying number of shares for a director was not 1,000, but 100; and each member of the board held considerably more than that. (Hear.)

The Solicitor would explain, in reference to the shares of the dissentient shareholders. When the proceedings in Chancery had gone to a certain extent, he, with the assistance of his partner, made an arrangement with the scripholders with regard to their shares. With that arrangement, the directors had nothing to do. They had no claim upon him in respect of the shares, nor he upon them. He did not feel called upon to explain more particularly what that arrangement was, further than to say that the interests of the company were secured by it. It would put no money into his pockets, but it would secure the company against loss. (Hear.)

The Scripholder complained that the explanation was not satisfactory. They ought to know the particulars of the arrangement. He presumed, however, that the effect would be to relieve the original allottees from liability.

The Solicitor—The original allottees will not be thereby relieved from their liability.

The Scripholder—Then what is our position?

The Chairman—We believe we can enforce payment of the outstanding calls; but, until the result of the negotiations for the amalgamation is known, it is not proposed to take any proceedings for that purpose.

In reply to a question—

The Chairman stated that it was a condition that the name of the Indian bank with which they were negotiating the amalgamation should not be given until the answer to the proposals should be received; but, in the event of the negotiations failing, the registered shareholders would be consulted as to the future course of proceeding.

The resolution adopting the report and accounts was then unanimously agreed to.

Messrs. T. A. Mitchell, M.P., W. Nicol, J. Bagshawe, M.P., Peter Bell, W. Cook, J. Gladstone, W. S. Lindsay, M.P., and J. R. Morrison, the present directors, were re-elected; and Captain C. W. Gordon, Major-General Duncan Sim, and Messrs. T. Lancaster and A. Spens, four provisional directors, were confirmed in their appointments as members of the board.

## ENGLISH, SCOTTISH, AND AUSTRALIAN CHARTERED BANK.

THE third ordinary meeting of this bank was held on Wednesday, the 28th of February, at the London Tavern, Mr. C. Johnston in the chair, when the following report and accounts were unanimously adopted:—

“In submitting the accompanying statement of the operations of the bank for the half-year, ending in the colonies on the 30th of September, and in London on the 30th of December last, the directors have to congratulate the proprietors upon the satisfactory result, which exhibits a profit for that period of £11,559 0s. 8d. The business at Sydney and Melbourne has steadily increased, the managers continuing to exercise the utmost caution in all their transactions during the recent unsettled state of mercantile affairs; and, notwithstanding the extreme depression which has for some time prevailed in the commerce of the colony of Victoria, it will gratify the shareholders to be informed of the general safety of the outstanding obligations to the bank. With reference to the intimation made in the last

report, that the inspector contemplated opening sub-branches in connection with the branch at Melbourne, the directors have now to acquaint the proprietors that, having secured eligible premises in William's Town, Collingwood, and Prahran, business has been commenced in those places, and that the prospects of success are highly encouraging. The directors trust the shareholders will approve of the progress made in the colonial business of the bank, which might have been considerably extended. The inspector has, however, proceeded most cautiously in anticipation of the commercial difficulties which have arisen in Australia; and the careful policy thus adopted by Mr. Jackson has received the cordial support of the directors, who are satisfied that it is the course best adapted to secure eventually the prosperity of the corporation."

In the course of the proceedings, the chairman stated that the progress of business, notwithstanding the competition encountered, has proved satisfactory, and that the profits of the last half-year's operations have doubled those of the previous period. A larger rate of distribution might have been proposed, but it is considered prudent, in the present situation of the Australian trade, to act with reserve. Hitherto, no bad debts have been incurred, although the number of failures reported from Melbourne has been numerous.

The balance of profit and loss account, after providing for current expenses, amounts to ... .. £11,559 0 8

From which the directors recommend a dividend at the rate of 4 per cent. per annum on £300,000, payable on the 8th of March ... .. £6,000 0 0

And, in accordance with the plan for liquidating preliminary expenses, at the rate of £1,000 per annum, the directors have appropriated for that object ... 500 0 0

Leaving to be carried to the reserved fund ... .. 5,059 0 8

Which fund will then amount to £5,977 7s. 3d. 11,559 0 8

**LIABILITIES.**

Paid-up capital	...	...	...	...	...	£393,618	0	0
Deposit on forfeited shares	...	...	...	...	...	80	0	0
Deposits	...	...	...	...	...	133,752	2	6
Bills payable, and other liabilities	...	...	...	...	...	89,697	0	5
Circulation	...	...	...	...	...	89,321	0	0
Reserved fund	...	...	...	...	...	918	6	7
Balance of profit and loss	...	...	...	...	...	11,559	0	8

£718,945 10 2

**ASSETS.**

Bills receivable, loans on security, cash at bankers, &c.	...	...	...	...	...	£527,304	8	5
Specie and bullion	...	...	...	...	...	168,552	10	11
Bank premises and furniture	...	...	...	...	...	14,508	4	9
Preliminary expenses	...	...	...	...	...	10,580	6	1

£718,945 10 2

## BANK OF NEW SOUTH WALES.

THE half-yearly general meeting of proprietors of this company was held at the banking-house, on the 25th October, 1854, when the following report was read:—

"In presenting you with the accounts of the half-year ending 30th September, we have again to congratulate you upon the result of the extended operations of the bank.

The undivided amount brought from last half-year was...	£8,497 17 0
The net profits of the half-year, after paying all expenses and deducting £14,682 for rebate on current bills, amount to.	100,447 2 11
	<hr/> £108,944 19 11

Of this sum, there has been already appropriated by the special general meeting, held on 18th July, as a bonus on increase of the capital ...	75,000 0 0
	<hr/>

Leaving for distribution at the present time ...	<hr/> £31,944 19 11 <hr/>
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Which we now recommend for appropriation as follows:—

To payment of a dividend, at the rate of 10 per cent, per annum ...	£20,000 0 0
In increase of reserve fund ...	9,970 0 0
Carrying forward for equalisation of future dividends..	1,974 19 11
	<hr/>

The reserve fund will thus be increased to £80,000.

We look forward to a steady continuance of profitable business, through the means of our widely spread branches and connections.

Acting under the authority conferred on us at the last half-yearly meeting, we have established branch banks at Albury, Ballarat, Castlemaine, and Sandhurst, in lieu of the agencies hitherto existing at or in the vicinity of the gold fields of Victoria, and we recommend that a similar authority for the establishment of such additional branches or agencies, as we may deem advisable, be continued to us for the present half-year.

In consequence of a dispatch received by His Excellency the Governor-General from the Secretary of State for the Colonies, relative to our Act of Incorporation, we have applied to the Colonial Legislature for an amended act, to meet the objections taken.

It will be necessary for you to elect a director, in the room of Mr. W. Ranken Scott, who retires by rotation. Mr. James Henderson, and Mr. Benjamin Buchanan, both duly qualified, have given notice, in conformity with the deed of settlement, of their being candidates for the office.

Mr. E. C. Weekes also retires, by lot, from the office of auditor; and you will require to appoint another proprietor in his place.

The dividend will be payable on and after to-morrow, the 26th instant, at the banking-house, and at the branches on receipt of advice.

On behalf of the board of directors,

R. TOWNS, President."

*Bank of New South Wales,  
25th October, 1854.*

# Bank Meetings.

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*Aggregate Balance Sheet, Bank of New South Wales, 30th September, 1854,  
including London Branch to 30th June, 1854.*

<i>Dr.</i>					
To Bank stock	...	...	...	£473,472	10 0
Notes in circulation	...	...	...	602,209	0 0
Deposits	...	...	...	2,112,603	11 1
Bills payable	...	...	...	38,460	4 1
Old bank circulation	...	...	...	6,083	0 0
Other banks	...	...	...	157,506	13 4
London branch	...	...	...	1,248,769	3 7
Insurance fund	...	...	...	1,452	12 3
Reserve fund	...	...	...	70,030	0 0
Profit and loss...	...	...	...	46,626	19 11
					<u>£4,757,213 14 3</u>

<i>Cr.</i>					
By coin	...	...	...	£609,564	3 11
Bullion	...	...	...	222,448	2 4
Notes of other banks...	...	...	...	37,589	0 0
Bank premises	...	...	...	50,297	8 4
Office furniture	...	...	...	3,215	7 1
Bills receivable	...	...	...	1,758,904	5 8
Current accounts	...	...	...	380,975	7 6
Other banks	...	...	...	46,100	7 6
London branch	...	...	...	1,046,449	11 11
Policies of insurance...	...	...	...	440	0 0
Suspense note account	...	...	...	1,250	0 0
					<u>£4,757,213 14 3</u>

## *Profit and Loss.*

To bonus of £3 15s. per share, in aid of new stock	£75,000	0 0
Current expenses	21,585	4 7
Net balance	31,944	19 11
		<u>£128,530 4 6</u>

To dividend for half-year, at 10 per cent. per annum	£20,000	0 0
Reserve fund	9,970	0 0
Carried forward to equalise future dividends	1,974	19 11
		<u>£31,944 19 11</u>

By amount from last account	£6,497	17 0
Profits of half-year ending 30th		
September, 1854	£136,714	7 6
Less rebate on bills	14,682	0 0
		<u>122,032 7 6</u>
		<u>£128,530 4 6</u>

By net balance, as above	£31,944	19 11
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## *Reserve Fund.*

To balance	£80,000	0 0
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By balance, 31st March, 1854	...	...	...	£70,000	0	0
Recovery of old debt, formerly charged to this account	...	...	...	30	0	0
Amount from profit and loss	...	...	...	9,970	0	0
				<hr/>		
				£80,000		
				<hr/>		
				0		

Sydney, 24th October, 1854.      Audited.      GEORGE THORNE, }  
 (Signed)      E. C. WEEKES, } Auditors.

## Communications.

To the Editor of the Bankers' Magazine.

### WHAT CHEQUES REQUIRE THE PENNY STAMP?

SIR,—The annexed "opinion" of the Inland Revenue Commissioners is so utterly at variance with the report of the New Stamp Act, that I beg you will endeavour to give it a place, with your valuable opinion thereon, in the February number of your magazine.

It appears to me quite evident that the commissioners' law is at fault this time, and that the cheques mentioned are "negotiated" by being paid as cash into a banker's hands for collection, and, also, that one of the objects of the amended act of October, 1854, was to bring such cheques within the meaning of the act previously passed.

The point is of considerable importance, and involves the loss of some hundreds of pounds to the revenue. The practice with all banks in this locality has hitherto been to consider such cheques liable to duty.

I am, sir, yours obediently,  
 W. W.

Jan. 25th, 1855.

Copy from the "Times" of 23rd January, 1855.

"Several country banks, having refused to pay cheques drawn on them, remitted by other bankers residing more than 15 miles from them, without stamps, the following was submitted to the Board of Inland Revenue:—

'Newbury Bank, Dec. 1, 1854.

'If a cheque be drawn by a person on a country bank, within 15 miles of such bank, and paid by him, also within that distance, to another who pays it to his banker, residing more than 15 miles, in order to receive payment, is this such "negotiating" and "circulating" contemplated by law (17 and 18 Vic., cap. 83, sec. 7), and so requiring a stamp.'

(Answer.)

'Inland Revenue Office.

'I have laid before the Board of Inland Revenue your letter of 1st ultimo.

'I am directed to inform you that they do not, in the circumstances stated in your letter, consider that a stamp is requisite for the drafts in question, to enable the banker to collect the amount thereof from the banker on whom it was drawn.

'I am, &c., J. SARGENT.

Assistant Secretary."

'To C. SLOOOCK, Esq., Newbury Bank.'

[The act uses the words "remitted or sent." We do not concur with the commissioners.]

## FOREIGN BILL AND DRAFT STAMPS.

SIR.—Will you kindly give an opinion on the following points? A document worded thus :—

"To the Bank, Winchester.  
Please pay So-and-So the sum of fifty pounds.

" Jersey, 1855.

ANDREW SMITH."

Would you consider this a foreign bill, and, as such, liable to the *ad valorem* duty, or will the penny draft stamp answer for it? The points upon which people differ are, first, that the document is not a *bill* at all, and next, that Jersey is considered part of the United Kingdom, and that the penny draft stamp is all that is necessary.

Never was there an act upon which so many contradictory opinions have been given. The section No. 7 one would think plain enough, which states that a penalty of £50 will be inflicted on any person who shall "receive in payment, or as a security, or in any manner negotiate or circulate," an unstamped cheque beyond the distance of fifteen miles. Yet, in the face of this, we have the Commissioners of Inland Revenue telling us that paying such a cheque, received within fifteen miles, into one's bankers' hands for collection, who reside more than fifteen miles from the bank drawn upon, is not "in any manner negotiating or circulating." Commercial travellers will thank them for this opinion; but it happens most unfortunately that nearly all country bankers are of a different opinion. In this county (Hampshire) it is the rule to have all such cheques stamped. I have never known an instance to the contrary. Your able correspondents, "Old Stager" and "A Subscriber," I observe, have this point on the *tapis*, and I hope they will be able to arrive at the proper interpretation, which will be conferring a benefit upon country bankers at large.

I am, sir, your obedient servant,

A HAMPSHIRE BANKER.

March 17th, 1855.

[We think the document requires the bill stamp. If it contained the words "or bearer," we think it would be exempt from any stamp. In our opinion, the penny stamp is inapplicable. As to the other question, whether the cheques require the stamp or not, after the facts respecting them are proved (which we may grant is an unsettled point), we think that bankers are justified in refusing to pay or negotiate them, unless they are stamped; for this reason—the cheques coming from a distance beyond fifteen miles, *prima facie*, require stamps, and bankers ought not to have to run the risk of paying a penalty, or establishing by legal proof that the cheque was lawfully beyond the fifteen miles without a stamp. Such proof might be difficult or impossible.]

## RENEWAL OF THE BANK CHARTER.

SIR.—Some remarks having appeared in your March number, from one "T.," in reference to a communication from "H. L.," which appeared in last December, might I, in turn, be allowed to offer some remarks upon those which have fallen from the former? Your correspondent "T.," who has charged "H. L." with "not having been over diligent in his search for facts and data for the purposes of argument," might, I think, without detriment, apply the same to himself, as I will presently endeavour to show.

And, first, I think he has misunderstood the complaint which "H. L." makes against the monopolies of the Bank of England, under the head of "paper currency." It is not merely the power of issuing a larger proportion of notes than the other banks, but the fact of *its notes*, and *its only*, being legal tender, to the exclusion of those of any other banks, joint-stock or private; which privilege "H. L." does not contend (as "T." seems to imagine) should be open to competition, but that all banks should be placed on a just and equal footing, by its being transferred from private enterprise by the creation of a State Bank—thus placing the formation of the paper currency, as is the case with that of metal, in the hands of the State, to which State Bank the charge of the State accounts would also be transferred. Under such circumstances, I am of opinion that the last-mentioned bank would be "the sole custodiers of the largest amount of available capital;" and, in that case, the National Bank would be "in the best and readiest position to assist the Government," without any application for aid from any other source.

Further, in his attempt to disprove the assertion of "H. L." that "the joint-stock banking companies and the private banks of the kingdom, altogether, quite equal the Bank of England," your correspondent "T." has endeavoured to arrive at the probable capital of the private and joint-stock banks, and, for that purpose, has only taken the list of those banks which appear in the *Gazette*, as authorised to issue, and, reckoning their united capital at about £17,631,473, compares it with that of the Bank of England—and, on that comparison, endeavours to support his argument.

Now, for his information, I would mention that there are, in London, the following six joint-stock banks, viz.: the London and Westminster, London and Joint, Union, Commercial Bank of London, London and County, and British Bank, whose united capitals exceed £17,000,000, not to mention seventy-one other joint-stock and private banking firms in London, many of them of no mean standing or importance; and it may be that it is with some of these, whose existence your correspondent ignores, that the feeling of jealousy towards the Bank of England exists. If, now, he adds the capital of these to the sum already attained, I think he must pronounce "H. L.'s" statement to be not far from the truth; and, before he again charges any one with want of care in the facts and statements made by them, I would recommend to his serious consideration the old saying of "look at home first."

J. A. S.

Chatham, 19th March, 1855.

#### FOREIGN BILL "*À PRÉSENTATION*."—PROPER STAMP.

SIR,—Can you inform me, in your next number, whether a bill drawn from "Havre" on a London firm, "*à présentation*," requires a foreign bill stamp, or an "on demand" one, before negotiation? and oblige,

Sir, your obedient servant,

City, 9th February, 1855.

THE ENQUIRER.

[Our opinion is, that the penny draft or order stamp on demand does not apply to foreign bills of exchange. By sec. 4 of 16 and 17 Vict., cap. 83, "Every bill of exchange which shall purport to be drawn at any place out of the United Kingdom, shall, for all the purposes of that act, be deemed to be a foreign bill." We believe the Inland Revenue Commissioners have given a different opinion.]

## THE INSTITUTION OF A STATE BANK.

SIR,—With reference to the letter of your correspondent, H. L., which appeared in the December number of your valuable magazine, on the subject of the removal of the Bank Charter, I am desirous of asking two questions.

1st.—If a state bank were established, which should not in any way interfere with the operations of banks now in existence or which may be established, by entering the field as a competitor for business, but which should confine its transactions entirely to the issue of notes, and the management of the monetary affairs of the state, whence would arise the emolument or profit spoken of by your correspondent—such gains being principally derived by bankers from interests on advances to customers, discount of bills, &c.?

2nd.—Would not the state, as its own banker, bear some analogy to a merchant acting in the same capacity, having the privilege of issuing promissory notes in discharge of his liabilities?

In asking the foregoing questions, I do not for one moment pretend to cavil at anything advanced by H. L., or any other of your correspondents, on this subject; but my imperfect knowledge of the matter would lead me to suppose, that the establishment of a "state bank" would be, in fact, starting another Bank of England, threatening to be a grievous monopoly, and with a fearful power of issuing notes, without sufficient control by some other authority.

I beg you will excuse my thus trespassing on your valuable time,

And am, Sir, your obedient servant,

Dublin, 24th February, 1855.

A SUBSCRIBER.

SPIELMANN *versus* THE BANK OF ENGLAND.

(Translation.)

SIR,—I beg of you to be so good to insert in your estimable journal, the following reply to the words of Mr. Kelly (Sir Fitzroy Kelly), counsel on the process of Adam Spielmann against the Bank of England, which attacks the memory of the late Meyer Spielmann, my husband.

Sustained by God, I have been able to support the loss of the being who was to me the dearest in the world; but that which I will not support is, that Mr. Kelly opens that sacred tomb, hardly yet closed, cowardly to insult him who reposes there in that which he held the most precious—in his honour and in his loyalty. I leave it to the conscience of Mr. Kelly for having provoked the verdict of the English jury, a verdict which does injury to the memory of my husband, in accusing him of having bought the Bank notes below their value, when this transaction has been made with the greatest loyalty: I swear it before God.

It was quite sufficient on the part of the Bank of England to refuse the payment of these Bank notes to their legitimate possessor—to him who has paid for them with his money, and at the exchange of the day—without coming again to attack the honour of a name which has always remained intact and respected.

They can ruin a family, already so cruelly afflicted, but it is not permitted to attack his honour, the inheritance the most precious that my beloved husband, Meyer Spielmann, has left to his child, still in the cradle, and which I will defend with all my strength against these attacks, as unjust as unmerited.

I have the honour to be, Mr. Editor, &c. &c.,

Paris, March 6th, 1855.

OSLINE SPIELMANN, Widow.

## INCOME TAX ON INTEREST PAID FOR DEPOSITS.

SIR,—An attempt is being made here by the surveyor of taxes, to compel bankers to deduct income tax on interest paid to depositors, and to account for the same in their returns. The ground taken for this attempt is the 102nd section of the Income Tax Act, and the words relied upon are, that interest, "whether the same shall be paid half-yearly, or at any shorter or more distant periods," shall be chargeable with duty upon the persons paying the same.

Now, this is clearly an erroneous view of the law of the case. Bankers' interest is not "annual interest;" it accrues from day to day, and varies as the accounts are in hand or overdrawn; it is paid and received *entire*, and duty is paid upon the balance as a part of the profits of their business. It is absurd to suppose that if Overend, Gurney, and Co. sell a batch of bills, discounted by them, they could claim duty on the interest paid to the purchaser; yet the case is analogous to that of a banker who allows interest upon money lodged with him, whether on a fluctuating account, or on deposits payable on demand.

The plea for requiring bankers to deduct the duty on interest paid to depositors, I understand, is, persons receiving such interest generally neglect to account for it in their returns, and that the revenue, in consequence, suffers a considerable loss by the omission. This I very much doubt. I am convinced that a large majority of bankers' depositors are not in circumstances rendering them liable to the payment of duty; but, even were it otherwise, that is no reason why bankers should be called upon to do what would be found impracticable. I trust, therefore, that if the attempt of Government (if the surveyors are acting under the authority of Government) be persisted in, the whole banking community will immediately concert measures to resist it as an unjust attack upon their interests. In the meantime, I shall be glad to have your well-considered opinion upon the subject appended to this letter, in your next number.

I am, Sir, your obedient servant,

Preston, 1st March, 1855.

A. B.

[We are afraid the claim is valid as regards some description of deposits, but, if strictly enforced, will no doubt prove so inconvenient, as to render an alteration of the law necessary. We think the term annual interest means, calculated according to a certain rate per annum, and would cover a fractional part of a year. But we do not think a single transaction, or a series of single transactions, complete in themselves, such as the example given by A. B., or a loan, say of £10 for a week at interest, come within the liability imposed by the act.]

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 THE DECIMAL CURRENCY.

SIR,—It is with some trepidation that I venture to make a few unpretending comments on "A Paper read before the Society of Arts, February 14th," a portion of which (occupying no less than ten pages) appears in your valuable and widely circulated magazine for the present month. So great an amount of matter read before a learned body on a subject of every day importance, is naturally attractive to those engaged in commerce, and in banking houses particularly; the business of the latter being chiefly money—I may say nothing else but money; its receipts and entry through various books on one side, and its payment to customers on the other. Entering and casting figures being the chief employment of all persons engaged in the commercial pursuits of this country, the alteration of our circulating medium becomes a matter of grave and almost vital importance to the

millions engaged in its operations, and before we make any variation it ought to be well considered and understood. Fortunately, comparatively few persons have indulged in the luxury of writing on the currency, from the general belief that those who write the most give evident proofs that they know very little about the matter. "What is a pound?" Ask the rich man, and he will tell you—it is a little round metallic substance, that will, in almost every country on the globe, procure for him a certain amount of comfort, pleasure, confidence, and respect. On the other hand, ask the poor man, and he will gravely inform you—that a pound is a shining substance that seldom gladdens his eyesight; and that not beholding the Queen's profile more frequently causes him an amount of poverty and misery both depressing and inconvenient. Between these two cases, lies the currency question. I watched the sinister introduction of the florin among our shillings and half-crowns, the inconvenience of which is every day felt by those who have to receive and pay them away. They were, no doubt, intended as a wedge to be driven into our currency, for the purpose of familiarising and ultimately destroying our good old system of £ s. d., under which the nation has flourished, and attained a state of commercial prosperity unknown to any other country. The question, then, is, why destroy it? I naturally expected to find the solution in the elaborate article before me. I read carefully, and expected to find that a system was about to be introduced that would lessen the hours of labour, reduce the quantity of figures to be made by bankers' and merchants' clerks, lessen the space necessary for carrying on their operations, and altogether tend to make their various avocations more comfortable and agreeable. Overworked and overtaxed as they are at present, all these things are desirable, and any system that would produce them must be hailed with satisfaction, and at once adopted. Unfortunately, the advocates for a decimal division of the pound sterling are labouring under a doubtful, and, I am almost tempted to say, dangerous delusion. I admit the cleverness of the writer, and admire his powers of research. At the same time, it is painful to see so much talent wasted on, what I conceive to be, so worthless a subject as the "Decimal Coinage." Happily, all innovations must be tested by common sense, and be subjected to the practical workings of every-day life, before Englishmen will receive and adopt them.

Many theories read and sound well, but practice alone can prove their value. Who could believe that the effect of this proposed division of the pound sterling would be an increase of figures, and consequently an increase of labour to the extent of twenty per cent. Yet this is the fact. To prove it, let any banker, merchant, or tradesman, enter fifty or a hundred sums of money containing shillings and pence, and cast them up under our present clear, certain, and simple method of £ s. d., and then enter the same sums and cast them up under the decimal system. The truth will at once manifest itself, that the decimalists have to make twenty per cent. more figures, and consequently perform twenty per cent. more labour to produce the same result. This would indeed be a change without an improvement, and a very sorry recompense for a man to unlearn all that he has learned, producing an immense amount of confusion in his mind, subjecting him to great errors, and consequent depreciation in the estimation of those who set a value on his present correctness, loading him with twenty per cent. more exertion on his already over-worked frame, and causing him bitterly to regret having to perform so great an amount of work in places already too crowded. Let us preserve our old system, and avoid the evils that are likely to be engendered by causing men, as they do in France, to quarrel and haggle about the tenth part of a penny.

Yours respectfully,

*Lombard Street, 22nd March, 1855.*

ANTI-DECIMAL.

## Notes of the Month.

**DEFALCATIONS AT THE BALLARAT BRANCH OF THE BANK OF NEW SOUTH WALES.**—G. D. Lang and F. L. Drake—the former manager, and the latter accountant, of the Ballarat Branch of New South Wales—have been prosecuted at Melbourne, for embezzling moneys belonging to the bank, to the extent of £10,000. Both having been found guilty, Lang was sentenced to five years' and Drake to four years' hard labour on the public roads.

**BAVARIAN LOAN.**—The letters from Frankfort announce a new Bavarian  $4\frac{1}{2}$  per cent. loan of 6,500,000 florins (about £550,000 sterling). Every subscriber of 50,000 florins, or more, is to receive one-half per cent. commission, and the applications are considered certain to be very numerous.

**THE BANK OF FRANCE.**—The Bank of France has just published an account of its operations for the year 1854. The total of the operations of the establishment amounted to 388,000,000*fr.*, to 3,964,000,000*fr.* in 1853, and 2,541,000,000*fr.* in 1852, being a diminution of 76,000,000*fr.* as compared with 1853. The discount accommodation in Paris and the branch banks amounted to 2,842,000,000*fr.* in 1853, but reached the sum of 2,944,000,000*fr.* in 1854, being an augmentation of 102,000,000*fr.* in favour of the latter year. The account current of the Treasury, which had fallen to 24,000,000*fr.* on November 6, 1854, had risen to 222,000,000*fr.* on the 17th of January, 1855, and was 184,000,000*fr.* on the 24th of January. This augmentation was the natural consequence of the subscription to the late national loan. The metallic reserve of the Bank amounted, on January 1, 1854, to 299,000,000*fr.*, of which amount 109,000,000*fr.* were in silver, and 190,000,000*fr.* in gold. On the 1st of January, 1855, the amount was 364,000,000*fr.* of which 183,300,000*fr.* were in silver, and 180,700,000*fr.* in gold. The reserve in gold has consequently increased during the year by a sum of 71,700,000*fr.*, while that in silver has diminished 7,300,000*fr.* The operations of the branch banks present a satisfactory result, as they are greater in their aggregate than the amount of business at the main establishment in Paris. The operations of the branch banks amounted in 1852 to 1,305,000,000*fr.*, in 1853 to 2,098,000,000*fr.*, and in 1854 to 2,101,000,000*fr.* The six in which the largest amount of business was done are, Marseilles, 277,000,000*fr.*; Lyons, 210,000,000*fr.*; Bordeaux, 179,000,000*fr.*; Lille, 151,000,000*fr.*; Valenciennes, 127,000,000*fr.*; and Besançon, 107,000,000*fr.* On the other hand, four have not covered their expenses—namely, Amiens, which has a loss of 38,288*fr.*; Rochelle, 24,884*fr.*; Toulon, 12,466*fr.*; and Avignon, 1,375*fr.* These four have been recently established; three among them have not yet made up the cost of their establishment, and at Avignon the produce has been exceeded by the cost of conveying the specie required.

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## Review.

*The Philosophy of Joint-Stock Banking.* By G. M. BELL. Second Edition. Longman and Co., Paternoster-row.

THE appearance of the second edition of this work., at a moment when the success of joint-stock banking has been so fully developed by the progress of the metropolitan establishments, that it has led to the organization of two new banks, must be considered opportune; and, now that there is the prospect of the system being generally extended, the value of the new volume, as an authority, will be proportionably appreciated. The present edition has been enlarged by the introduction of chapters on "Foreign and Colonial Exchange," the "Origin and Progress of Colonial Banking," "Sir Robert Peel's Acts for the Regulation of Joint-Stock Banks," "Free Trade in Banking," "Commercial Panics in relation to Banking," and such additions and

emendations as the progress of banking knowledge and experience have suggested. Mr. G. M. Bell is the secretary of the London Chartered Bank of Australia. The work is appropriately dedicated to Mr. J. W. Gilbert, the general manager of the London and Westminster Bank.

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#### BANK MOVEMENTS.

A half-yearly dividend, at the rate of 5 per cent. per annum, is to be payable on the shares of the Ionian Bank on the 10th April.

The Bank of Australasia have declared a half-yearly dividend of 24s. per share, being at the rate of 6 per cent. per annum on the capital stock of the corporation, and also a bonus, as additional interest, of 56s. per share, making together £4 per share, or 20 per cent. per annum, free of income tax, payable on and after the 17th April next.

A call of £2 is to be paid on the shares of the English, Scottish, and Australian Chartered Bank, by the 9th April.

The London Agency of the Shropshire Banking Company has been removed to the Union Bank of London. The National Provincial Bank of England is, it is stated, about to establish branches in every place where the Shropshire Banking Company have branch establishments.

The Royal British Bank have issued circulars, announcing that they are prepared to receive applications for new shares, to be issued on account of additional capital.

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#### BANKING OBITUARY.

March 13.—Mr. Henry Arnaud Clarke, son of the late John Olden Clarke, Esq., of the firm of Lubbock and Co., Mansion House-street, aged 57.

15.—Mr. James Barnes, aged 66, chief clerk at Messrs. Barclay, Tritton, Bevan, and Co.'s.

22.—Mr. Thomas Marsh, of the Bank of England, aged 45.

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#### MONTHLY CHRONOLOGY.

Feb. 28.—Announcement of the failure of Mr. A. Hamilton, of New Orleans, agent to Messrs. Morewood and Rogers.

28.—Failure of Mr. G. T. Braine, East India Merchant. Liabilities, £306,000.

March 1.—News of the defeat of the Russians at Eupatoria, by the Turks, under Omer Pacha.

2.—Intelligence received of the death of the Emperor of Russia.

5.—Failure of Messrs. T. R. and W. Browning and Co., in the timber trade. Liabilities, £90,000.

8.—Suspension of Messrs. Anthony Nichol and Son, in the Russian trade.

12.—Failure of Messrs. Fletcher, Rose, and Co., Mr. Thomas Spencer, and Mr. Selby, all in the iron trade.

15.—The Vienna Congress formally opened.

20.—Stoppage of Messrs. S. O. Nelson and Co., cotton factors, New Orleans. Liabilities said to be £150,000.

20.—Announcement in the House of Commons, that the Chancellor of the Exchequer would not bring forward his "Budget" till after Easter.

21.—Day of fasting, humiliation, and prayer, for the success of our army, and the restoration of peace.

22.—Failure of Messrs. Oldfield, Allen, and Co., woollen manufacturers, Huddersfield, with liabilities to the amount of £40,000.

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## **Monetary Intelligence.**

### **REVIEW OF THE MONEY MARKET FOR THE MONTH OF MARCH, 1855.**

THE course of financial affairs during the month just concluded, has been less agitated than might have been anticipated. The death of the Czar, and the commencement of the inquiry into the position of the army before Sebastopol, are the two principal events which have excited attention. Although the expectations of an immediate peace, which were raised through the former, have not yet been realised, the opening of negotiations at Vienna will, it is thought, pave the way to some adjustment, if the allied powers show the least conciliation. The public, desirous as they are of making Russia pay the full penalty of her aggression, apprehend that diplomacy will mitigate the demand, especially since it is stated that the French government manifest a disinclination to insist on an entire reduction of the preponderance of power in the Black Sea. A few days, however, will demonstrate the result whether it will be favourable or otherwise. The aspect of trading relations are not altogether satisfactory. Failures occasionally take place, and the estates, when they become investigated, present very discouraging features. There is, however, a sensible increase in the supply of money, and the weekly Bank returns are steadily recovering a healthy position. Imports of specie to the extent of £2,500,000, within the last three weeks, have greatly augmented the available supply, and the payment of the dividends will shortly add to the general resources of business accommodation. An opinion is entertained that the Bank, to protect their discount business, will have speedily to reduce their rate, first-class paper being negotiable out of doors at  $4\frac{1}{2}$  to  $4\frac{1}{2}$  per cent., while deposits are declined at 4 per cent.; but it seems questionable whether they will do so until the Chancellor of the Exchequer shall have explained his financial measures. The state of the foreign exchanges prevents any shipments of consequence to Paris or Hamburg, but remittances continue to be made to the East.

The range in the price of Consols has been nearly  $2\frac{1}{2}$  per cent., the intelligence of the demise of Nicholas having produced a considerable advance. The subsequent manifesto of his successor, Alexander II., caused a re-action, and, after various fluctuations, a rise of about .1 per cent. has been supported. The amount of business, however, has proved altogether limited, compared with previous operations, the speculators exhibiting caution during a period when either the assault upon Sebastopol, or the arrangement of a treaty on the basis of the four points, may lead to a perfect revolution in financial prospects.

Foreign securities recovered simultaneously with the English funds, but the advance has not been maintained. Turkish has been done at  $1\frac{1}{2}$  premium, but has since relapsed to par to  $\frac{1}{2}$  premium. The approaching payment of the dividend, and the announced arrival of the Egyptian tribute, have caused more extended operations. Mexican is heavy, and Spanish exhibits flatness, owing to the impediments created to a successful adjustment of pecuniary resources. In other descriptions there is very little passing. The resolution adopted in Parliament, for a loan to Sardinia, will involve an immediate payment from the Treasury of £1,000,000, and another of £1,000,000 a year hence. The interest to be paid by the Sardinian Government is 3 per cent., and as the Sardinian Five per Cents. are now under 87, and a Three per Cent. stock of that country would be worth only about 50, it follows that the rate fixed is not more than half of that which should legitimately be paid, and that, consequently, one-half of the sum advanced is to be regarded as a loan without interest,

throughout the period required by the contemplated sinking fund of 1 per cent. for its extinction.

The railway market is not so buoyant as it was in the early part of the month. When the sudden rise in Consols took place, there was general activity, and considerable purchases were effected. The traffic, however, checked by the doubtful state of the weather, has an unfavourable influence on prices, which from the highest point have receded about £1 per share. The half-yearly meetings have just terminated, and exhibit the important fact, that the working expenditure continues to make a great inroad upon revenue.

Australian land and banking shares have been steady, with a tendency in some cases to improvement. Those of the metropolitan joint-stock banks are also well supported. We do not hear at present of any business either in the shares of the Bank of London, or the City Bank, but preliminaries are understood to be nearly arranged for the commencement of operations.

The transactions in produce throughout the month, have been generally limited. An active revival would, however, immediately follow a proclamation of peace.

The following are the fluctuations in the English and Foreign Stocks and Railway Shares, during the month just concluded:—

	Price on Feb. 26.	Highest.	Lowest.	Price on March 27.
<b>ENGLISH FUNDS.</b>				
Consols ... ..	91½ to 92	93½	90½	92½ to 93
Exchequer bills' average ... ..	3s. to 9s. pm.	9s. pm.	3s. pm.	6s. to 9s. pm.
<b>FOREIGN STOCKS.</b>				
Brazilian ... ..	—	102½	101½	102
Buenos Ayres ... ..	—	53½	52	52½
Chilian ... ..	—	104	102	103
Dutch, 2½ per cent. ... ..	61½	63½	61½	62½
Mexican ... ..	21	21½	20½	20½
Peruvian, 4½ per cent. ... ..	72½	73	70	71
Portuguese, 4 per cent. ... ..	41½	43½	41½	42
Russian ... ..	—	101½	98½	99½
Spanish ... ..	36	37	36	36½
<b>RAILWAY SHARES.</b>				
Brighton ... ..	97	100½	96½	98
Caledonian ... ..	62½	64½	62	64½
Eastern Counties ... ..	11½	11½	11	11½
Great Northern ... ..	89½	92	87½ ex. d.	88½
Great Western ... ..	65	66	63½	65½
Lancashire and Yorkshire... ..	74½	77½	74½	76½
London and North Western ... ..	100	100½	97½	99½
Midland ... ..	69	70½	67	69½
North Staffordshire ... ..	12½	13½	12½	13
South Eastern ... ..	59	62½	58½	62
South Western ... ..	85½	86½	83½	83½
York, Newcastle, and Berwick ... ..	73½	74½	72	71½
York and North Midland ... ..	50½	51 ex. d.	48½ ex. d.	49
East Indian... ..	21½	22½	21½	22½
Northern of France ... ..	33½	35	33½	34½

# THE GRAIN TRADE.

THE season, although so far advanced, is still bleak and unpropitious. Frosty nights and cold mornings at the latter end of March are not encouraging to the agriculturists, and it is now much feared that the spring will pass without producing the anticipated progress in the development of the crops. The next two months may, however, bring about a sensible

alteration, and a little warmth and sunshine will create great benefit. Business in Mark-lane has not, latterly, been extensive. A slight decline has occurred in prices, and speculation is almost at a stand.

The *Gazette* returns for England and Wales have been—

Week ended 1855.	Wheat Qrs. sold.	Weekly Average.	Six Weeks' Average.	Duty.	Corresponding Six Weeks Last Year.
		s. d.	s. d.	s. d.	s. d.
Feb. 24.....	94,612 ...	69 1 ...	70 6 ...	1 0 ...	81 6
March 3.....	89,402 ...	68 6 ...	69 11 ...	1 0 ...	80 10
" 10.....	92,979 ...	68 0 ...	69 8 ...	1 0 ...	80 3
" 17.....	80,337 ...	66 11 ...	69 0 ...	1 0 ...	79 8

The importations since the harvest of 1854 have been—

	Wheat Qrs.	Other grain Qrs.	Total Qrs.
Thirty weeks ended 14th Feb. ....	909,149	1,325,306	2,234,455
Four weeks ended 14th March .....	84,948	110,471	195,419
	994,097	1,435,777	2,429,874

And the weekly averages have been—

	Wheat Qrs.	Other grain Qrs.	Total Qrs.
Thirty weeks ended 14th Feb. ....	30,000	44,000	74,000
Four weeks ended 14th March .....	20,000	28,000	48,000
	Less 10,000	16,000	26,000

#### THE STATE OF TRADE.

THERE has been greater confidence expressed in a prospect of peace, and the consequence is rather more disposition to enter into operations. At Birmingham and Manchester the effects of late failures have been experienced in contracting credit; but, if the weather should prove favourable, and the negotiations on the four points terminate satisfactorily, a change for the better would soon ensue.

#### EAST INDIA REMITTANCES.

##### AMOUNT OF BILLS DRAWN FOR.

From the 24th of February to the 8th March	Bengal.....	£12,314 16 1
	Madras.....	1,994 1 10
	Bombay....	458 8 11
From the 9th of March to the 24th of March	Bengal.....	2,715 17 2
	Madras.....	2,775 14 3
	Bombay....	318 15 0
		£20,577 13 3

#### NOTICES TO CORRESPONDENTS.

At the latest moment, two or three communications have been postponed for want of space. W. P. H. (Liverpool) will understand from this announcement the reason of the non-insertion of his letter. The answer, however, is, that he is not obliged to take the bill up before it is due, though, under the circumstances stated, the Bank of England make it a practice, and will, if it is not done, close their discount account with the party. When the bill becomes due, of course he is immediately liable. All inquiries should, if possible, be forwarded by the 20th of the month.

M. S. (Stamford).—The whole investigation shows that the parties have been most reckless in the administration of the trust reposed in them.

JURMAN.—No great increase of capital has taken place. Some of the banks have issued at a premium unappropriated shares, for the benefit of the respective proprietaries. What-  
-ever money is thus paid can be usefully employed.

# THE BANKERS' MAGAZINE;

AND

*Journal of the Money Market.*

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MAY, 1855.

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## GOVERNMENT FINANCIAL MEASURES.

THE Budget has been presented, and if it is not likely to be generally popular, there is no doubt that it will receive legislative sanction. Its varied and widely distributed contents show not only that the Chancellor of the Exchequer has been sorely puzzled to provide for his financial exigencies, but that there has also been a disposition, so far as possible, to divide the burden of increased taxation. The loan of £16,000,000, the augmented scale of direct impost, with the modification of the Customs duties on sugar, tea, and other articles, leads manifestly to the inference that Sir G. C. Lewis has attempted to propitiate all classes who are in the position of being contributors to the State. By this arrangement, he will negative the opposition of some sections of Parliament, while the general outcry which would have been raised, had he endeavoured to provide the year's expenditure from the year's revenue, will be wholly averted. If, therefore, the several measures fail to shadow forth much administrative capacity, they possess the recommendation of being more practical than those of his predecessor, and will be readily carried into effect. The deficiency of £23,000,000, which the Chancellor seeks to supply, proves, in a lamentable degree, the extravagance and waste allowed to occur since the outbreak of hostilities. It is true that this amount includes the temporary assistance to Sardinia, while a margin is also allowed for the uncertainty attending estimates; but, permitting the most favourable construction in this respect, the actual ascertained increase in expenditure of £20,000,000, has made a startling impression upon the public mind, which will not be very easily removed.

The cost of the war will, it is feared, be greatly extended, through the late dissolution of the Vienna conference; the inability of Lord John Russell and M. Drouyn de Lhuys, with the other plenipotentiaries, to obtain any concession from Russia, with regard to a limitation of power in the Black Sea, having terminated the negotiations for a peace. Improbable as it appeared from the first, that the new Czar, seeing the desperate position of our forces in the Crimea, would assent to relinquish either his fleet or its station in that locality, the subsequent progress of the bombardment has possibly tended to stimulate a resistance to every such demand, until more decided results shall have been ascertained. What effect a reduction of Sebastopol itself might produce, it is scarcely possible to conceive, but it is generally supposed that the allied powers would then be in a far better situation to negotiate than at present.

For the war to be prosecuted vigorously, it is consequently necessary to provide a war expenditure on a scale that shall meet every contingency. Placing our existing revenue at £63,339,000, and the year's outlay at £86,339,000, the difference must be considered to represent an ample provision for whatever may be required. The prospect that it is not likely to diminish, but rather increase, if no greater success attends our operations in the East than that which has recently been witnessed, will not be regarded as cheering; but the delusive policy hitherto followed, of keeping the country in the dark as to the true magnitude of the evil to be contended with, can no longer be with prudence or safety adopted. Even Mr. Gladstone, we think, will now admit, that a far better plan for him would have been to have recognised fully the responsible position in which he was placed, and to have met the early difficulty of providing for a growing deficiency by prompt and specific measures.

Although objections have been taken to the terms and the manner in which the loan has been negotiated, there is not much reason to find fault with its actual result. The Government and the contractors, with those who supported the operation, appear to have carried out the arrangement in a satisfactory manner, and it is questionable, considering all the circumstances, whether any better steps could have been devised. The idea of making a loan for £16,000,000, to be followed by a credit for £3,000,000 of Exchequer bills, has been viewed in some quarters as an unnecessary extension of detail, and the question has naturally been asked, why was not a loan of £20,000,000 at once applied for? It would certainly have simplified the proceeding, and occasioned less complexity in the preparations of the various resolutions, forms, &c., while the money would have been as

readily obtained for the greater as for the smaller amount. With respect to the creation of the whole in terminable annuities, or in a new  $3\frac{1}{2}$  per cent. stock, guaranteed for a period, there is much to be said on both sides, and possibly as favourable a conclusion might have been arrived at. The negotiation of a loan, through open competition, so encouragingly repeated by our French neighbours, might not have encountered any real difficulty; and the proposal, had it been made, would have afforded the public a favourable opportunity of exhibiting the nature of the resources of the middle and lower classes. As the matter stands, it cannot now well be altered; but the various suggestions will probably not escape attention, if the Government shall again, at a future date, be compelled to appeal for similar assistance. It is satisfactory to find that, in the midst of the discussion, a clause regulating the liquidation of the debt has not been omitted; and it is to be hoped that the gradual process contemplated may be strictly adhered to, when the altered state of our relations may warrant the permanent conclusion of peace. Before, however, we dare venture to anticipate a final termination of the pending struggle, we must not be unprepared for a further augmentation of the debt.

The fresh elevation of the property and income tax, and the re-adjustment of the duties on sugar, tea, coffee, and spirits, have, of course, been opposed by the respective interests who regard them as distasteful, but they have in the aggregate received support. Much of this tampering with the previous fixed principle of legislation might have been avoided, if a larger loan had been taken, and there would have been less disturbance of ordinary business routine, which must, through these alterations, inevitably ensue. Nevertheless some consideration has been shown with respect to the enforcement of the property and income tax; for although the weight of it is now grievous enough, it would have been altogether insupportable, if the aid of a proportion of indirect taxation had not been obtained. The resources thus opened for revenue have been dealt with comparatively in an equitable spirit, and though they might have been much better regulated by experienced hands, the public, so far as the present Ministry are concerned, must accept the will for the deed.

The weakest point of the whole Budget is that which proposes the imposition of a penny stamp on bankers' cheques. Throughout the entire trading community this suggestion has been severely criticised, as tending to create impediments to the free facilities offered through this medium of circulation. Unless limits are fixed to its operation, no question can be entertained but that it will induce a considerable withdrawal of notes and

coin to make small payments, and otherwise interfere in a variety of ways with the ordinary transactions of banking. When a suggestion was mooted some time back for the introduction of such a system, it was very properly opposed by the authorities then in power, on the express ground that it was calculated to act mischievously. If it should really check the full use of monetary accommodation, the prospect of revenue which the Chancellor of the Exchequer calculates upon will diminish, and he will have to resort to some other expedient to supply the deficiency. Considering that amounts of enormous magnitude are represented by small drafts, and that in establishments like the Stock Exchange every payment is made through a banker, the inconvenience arising from the enactment will be found to be very extensive. The only plea or excuse which it may be supposed will secure the least countenance to this resolution is the desirableness of adopting the Budget in its integrity, and on this score the opposition, which it is known will be raised to it, may be defeated.

The bankers, joint-stock and private, are bound, in regard to the interests of themselves and their customers, to resist the introduction of the principle, or at least obtain some less pernicious regulation. It is understood, that the committee of private bankers and the representatives of the joint-stock system will co-operate together, in bringing before the notice of the House the inconvenience which must result from this species of taxation. On behalf of the Stock Exchange, representations will also be made of the prejudicial effects of its operation, and therefore the Government, if the bill is pertinaciously proceeded with, will incur the responsibility of having done so, after obtaining full knowledge of the evils likely to accrue therefrom. It is known, however, that among the banking community there are some few advocates in favour of the change, but they do not desire to see the alteration effected without a limitation. Proposals have been offered to fix the payment of the tax on cheques above £25, while others think that from £5 and upwards the impost would prove effective. The discussion on the point will elicit some curious facts, in relation to the operations carried on through this medium of circulation, and exhibit the impolicy of attempting to restrict the facilities afforded for promoting our commercial transactions. The case with its various bearings is so neatly put in the following communication, that we cannot hesitate to give prominence to it:—

“The war must be carried to an honourable conclusion, and means provided for its expenses; but it is surely wise on the part of the Chancellor of the Exchequer to raise his revenue in a manner that shall, as little as possible, fetter the commercial transactions or absorb the floating capital of

the country. The proposal to tax all drafts upon bankers is a measure calculated to produce a larger amount of evil than can be compensated by the revenue from it. All practical men are well aware how large a portion of the business of the country is conducted by means of cheques upon bankers, and how small a portion of these cheques is paid in bank-notes or gold. The exchange of cheques through the changing-house in London, and the like system pursued between the banks in every town in the kingdom, leave the bank-note circulation comparatively undisturbed; but the tendency of the proposed measure will be to cause to be withdrawn from the banks the balances of many private persons, and of the smaller class of tradesmen, who, induced by the increased facilities of late years, have deposited their moneys for safety or convenience. The aggregate of these balances will amount to a sum, of which the Chancellor of the Exchequer can be little aware. It is further well known that few payments are now made, even for small sums, except by cheques; but the expense attendant on this process would be avoided as far as possible by retaining notes and gold, and abstracting still further from the money circulation, at a time when the whole available resources of the country may be taxed for the conduct of a protracted war. The cheque circulation appears to be a system of as unobjectionable a character as could well be devised, but based upon actual transactions, ever changing, ever renewed. It has afforded facilities in conducting commercial operations for which the money currency of the country would have been utterly inadequate; this the late Chancellor well knew, and however visionary his financial schemes may be deemed by some, he was sufficiently practical to appreciate the advantages, both to the community and to the Government, resulting from the removal of restrictions by which the bank-note circulation was needlessly absorbed."

The course of debate on the other items of the Budget has at present proceeded satisfactorily enough. There is evidently every disposition to give the Chancellor assistance in perfecting his leading plans, and, although he is threatened by Mr. Mac Gregor with opposition in Committee, the issue is not very doubtful. The position of the Ministry is however unenviable, since, were it not for public sufferance, neither themselves nor their financial measures would secure support.

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#### THE SAVINGS BANKS BILLS.

At almost the earliest period of the present session, the then Chancellor of the Exchequer, Mr. Gladstone, announced his intention of submitting, for the sanction of the Legislature, two bills having reference to savings banks. One of these, he said, was intended to make better provision for the investment and security of the savings banks' and friendly societies' deposits, when paid over to the Commissioners for the Reduction of the National Debt; the other would have for its object, the



placing of the banks themselves under an improved system of management.

Of the second of these measures, owing, in all probability, to Mr. Gladstone's retirement from the office he then filled, nothing has since been heard. The other, under the title of the "Savings Banks' and Friendly Societies' Funds Bill," was presented to the House of Commons, and printed in January, immediately on the re-assembling of Parliament after the Christmas recess, and has ever since been standing upon the notice paper for a second reading. As it is regularly included in the Government list of orders on each Government day, it is to be presumed that Sir G. Cornewall Lewis adopts it, and intends, on the first convenient opportunity, to ask the House to affirm its principle. Under these circumstances, a brief inquiry into its scope and bearing may not, at the present moment, be out of place. Taking the bill as printed, together with Mr. Gladstone's introductory explanation, it would appear that the main object for which it is brought forward, is to limit the power of the National Debt Commissioners, in dealing with the deposits placed by the trustees of the savings banks and friendly societies in their hands, and to secure the public, as far as may be, from the risk of loss arising from depreciation in the value of the various classes of securities in which such deposits may be invested. The depositors being entitled under the Savings Banks Acts to receive back their money in full, together with a fixed rate of interest, and the deposits being invested by the Commissioners in the public securities, the fluctuations in the market price of those securities occasion, from time to time, a difference as between the actual value of the assets and the gross amount of the claims which are to be met by them. In the course of years, these differences have resulted in a loss, and the Consolidated Fund has had, or is liable to bear, a charge over and above the interest of the stock in which these savings bank funds are invested, to make up the deficiency. It appears that the total amount paid and credited for interest by the Commissioners, between August 6th, 1817, and 20th November, 1854, on account of savings banks deposits, was £25,517,123 13s. 7d., and on the deposits of friendly societies, £1,384,232 8s. 5d., making together, £26,901,356 2s.; whereas the total amount of the dividends and interest which accrued from the investments made during the same period, was, on the savings banks' funds, £23,105,436 7s. 2d., and on the friendly societies' money, £1,064,814 11s. 2d., or together, £24,070,250, leaving a deficiency of £2,831,105 3s. 8d. to be borne as an extra charge by the Consolidated Fund. Mr. Gladstone's bill declares, in its preamble, that it is expedient to make provision for satisfying

the excess of interest so paid and credited, and also to make provision for the better regulating of the mode in which the moneys received from these institutions shall henceforth be secured and invested, "so as to provide a fund which shall at all times, and without fail, be sufficient to satisfy all the lawful claims of savings banks and friendly societies."

To this end, the bill proceeds at once to cancel securities of various denominations now standing in the names of the Commissioners on account of the savings banks' and friendly societies' deposits, to the extent of £21,736,824 1*4s.* 8*d.*, and directs that an account shall be opened by the Comptroller-General of the Exchequer, to be called the "State Credit Account, No. 1," to the amount standing to the credit of which, interest, at the rate of 3 per cent. per annum, is to be charged upon the Consolidated Fund. Two-thirds of the whole of the deposits in the Commissioners' hands are always to be placed to the credit of this account; and as the total amount due on the 20th of November last to savings banks and friendly societies was something over £36,000,000, the bill directs that £24,000,000 shall be at once credited to this new State credit account, as a substitute for the £21,736,824 of securities cancelled. This credit, with the other public securities, in which the remaining third of the deposits will still be invested, will compose the assets which, from time to time, will be available to meet the claims of the depositors. Provision is made for balancing the accounts annually, immediately after the 20th November, and a balance-sheet is to be made out, in which the liabilities and assets are to be set forth in detail—on the credit side, the State deposit account, at its full amount, and the securities and other moneys held by the Commissioners, on account of these institutions, at their respective values, according to the market price of the day; and on the debit side, the total amount due to the savings banks and friendly societies for deposits, and to the savings banks trustees for expenses of management. In the event of there being any deficiency in the assets, the Treasury is to make it up, either by adding an equivalent amount to the State deposit account, by payment of a sum of money out of the Consolidated Fund, by an issue of Exchequer bills, or by any or all of these means. On the other hand, should there be a surplus, it is to be cancelled.

The result of this arrangement will be to simplify accounts, and to place the State, in its relation with the savings bank depositors, in the position of bankers, receiving their deposits, and paying back the money in full, when called upon to do so, with the legal rate of interest, as established by the Savings Bank Acts; thus removing a misapprehension which, according

to Mr. Gladstone, prevails in some quarters, that the State acts merely as the agent of the depositors, to invest their money for them in Government securities, any loss arising from the fluctuations in the market value of such securities being borne, not by the State, but by the depositors themselves. Another important purpose which the bill will serve is, the limiting of the power of the National Debt Commissioners to operate upon the public stocks with the savings bank moneys, and, to the extent of that limit, reducing the risk of loss from the fluctuation of prices. The only doubt is, whether the restriction goes far enough, and whether it would not be wiser, as it certainly would be more simple, to place the whole of these deposits upon the State credit account, year by year, as the accounts are balanced, leaving the current receipts from the depositors to provide for the ordinary repayments.

Such are the principal features of this bill, which, so far as it goes, is undoubtedly in the way of improvement, and, coupled with the other measure, which, in December last, Mr. Gladstone led us to hope would accompany it, is calculated to effect a most important reform in the law relating to savings banks. Probably no step has been taken in modern times, tending more to the advantage of the entire community than the establishment of these institutions. Directly, by encouraging and fostering provident habits, they have been the means of ameliorating, in a marked degree, the condition of the working classes; and indirectly, by the decrease of intemperance, pauperism, and crime, they have conferred important benefits upon the whole social scale. Under proper regulations, they would at all times afford the most convenient and safe, and consequently the most popular investment for the savings of the poor; while the funds so deposited would place in the hands of the Government an important reserve, which, under the sanction of Parliament, might be made available for cases of great emergency. What is chiefly required is, security to the depositors as against the managers of the banks. Theoretically, the savings banks are State institutions, but practically, they are mere local establishments, under local management. To make them efficient for their purpose, they should be wholly under Government control; all the officials should be appointed by the Government, and the Government should become responsible for every deposit, from the moment it leaves the hands of the depositors until it is repaid to him or his order. At present, the State takes little or no heed whether the parties who receive the money directly from the depositors are trustworthy or not, and, consequently, it declines to protect them against defalcations while their money is in transitu from their hands to those of

the Commissioners. The absence of such protection, and the want of sufficient facilities for the receipt and payment of money, have tended materially to fetter the free course of their institutions, and to lessen the advantages they are calculated to afford. Let the savings bank depositor understand that, in placing his money in the savings bank, he is lending it to the State; that he has, in the receipt in the depositor's book, the acknowledgment that the State undertakes to repay him with interest, and afford to him the same means of depositing his money—upon any day, at any hour, when it may happen to come to his hand—as is afforded by the ordinary banks to persons of larger means, and savings banks will continue to be the most popular mode of investment with those classes for whose benefit they were originally established.

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#### MERCANTILE SUSPENSIONS.

It is gratifying to be able to state, that since the appearance of the *Bankers' Magazine* for April, there have been no mercantile failures, either metropolitan or provincial, of interest. From America, we have received accounts of two or three unimportant suspensions, in addition to those which have occurred in California. The latter, however, are only worth recording:—

February. Wells, Fargo, and Co., San Francisco, bankers.

"	Page, Bacon, and Co.,	"	"
"	Adams and Co.,	"	"
"	Miners' Exchange Bank,	"	"
"	Robinson's Savings Bank	"	"

Of the whole of these establishments, only one has resumed, viz., that at the top of the list. Attempts have been made to arrange the affairs of Page, Bacon, and Co., but without satisfactory results. The banking houses now open are Messrs. Palmer, Cook, and Co.; Lucas, Turner, and Co.; Tallant and Wilde; Drexel, Salter, and Church; Wells, Fargo, and Co.; B. Davidson; and Sanders and Brenham. The balance sheets of the suspended firms will be found in the article given on the Californian panic, in another part of the Magazine. The details are interesting, as exhibiting the course of business in that recently organised state. The condition of credit in London and the manufacturing districts is much better than it was in the early part of the year. The pressure arising from the Australian and American revulsion has fortunately subsided, and the easiness of the general money market causes greater freedom in the negotiation of sound mercantile paper. The assets of some of the estates winding up, under inspection, are producing more favourable results than was anticipated. A first dividend of 3s. 4d. in the pound has been announced by the inspectors of Messrs. Carter and Co., shipowners and brokers, who failed through their connection with Mr. E. Oliver, of Liverpool. The affairs of Messrs. Davidson and Gordon, now that the principals are in this country, will, it is presumed, be rigorously investigated by the Commissioners in Bankruptcy. Some further light will probably be thrown upon the extraordinary transactions in which they were engaged with Mr. J. W. Cole.

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## THE NEW WAR BUDGET.

SIR G. C. Lewis, the Chancellor of the Exchequer, has set an example worthy of imitation by other and more distinguished statesmen. In submitting his financial measures to Parliament on the 20th of April, his address, if not particularly attractive, owing to the absence of ornamental diction or elaborate phraseology, conveyed in a clear and distinct form the information he had to communicate. Thus, without useless prelude or a waste of time, which of late has been much too frequent in introducing Government fiscal plans to the notice of the legislature, he presented a history of his proposed operations in a space unprecedented by modern Budgets. If his measures should not in all respects prove successful—and being very diffuse and uncertain, they are not likely to be generally popular—he will have earned a reputation for discretion, in not wearying members of Parliament, or the public, with an immense mass of cumbrous language, from which it is sometimes difficult to extract a meaning. A precedent so opportunely set we shall hope to see followed in the House of Commons, particularly when the debates are now protracted to an unnecessary length; and if it is not, we sincerely trust that our daily contemporaries will carry out the reformation, that has more than once been suggested, of condensing, within narrow limits, tedious verbiage and common-place opinions.

The Chancellor of the Exchequer, after stating the reasons of the delay in bringing forward the Government plans, proceeded to detail the various items of the revenue and expenditure of the past year, and the estimates of both for the ensuing year, the result of which was that the amount of the estimated income of the next year was £63,339,000, and that of the expenditure—including Ways and Means bills, due for the past year, and a margin of £4,440,000—£66,339,000, showing a deficiency of £23,000,000, for which it was necessary to provide, and it was his duty, he said, to submit the Ways and Means by which that deficiency was to be made good. It had been proposed, he observed, that the expenditure of the war should be defrayed by taxes raised within the year; but experience, he thought, had shown in this and other nations that it was impossible, with a large expenditure for military purposes, to raise immediately taxes sufficient to defray the whole of the extraordinary military charges. The Government had therefore taken steps to raise a loan to cover a portion of the deficiency of the year. It was incumbent, however, upon Parliament, to take measures to prevent a loan from becoming a perpetual burden. The idea of a sinking fund had been fondly cherished to the last by Mr. Pitt; subordinate bodies and railway companies had raised money upon securities extinguishable within a certain number of years; and another mode of preventing the perpetuation of debt by loans was, by raising money on terminable annuities—that is, annuities for a limited number of years, including, with the interest, a certain portion of the principal. But it had been found in practice that terminable annuities were so little marketable, that it had been at no time possible in this country to effect a loan by that species of security alone. The Government had therefore no option in the matter,

and, under these circumstances, they were compelled to effect a portion of the loan in some perpetual stock. If the loan of £18,000,000 were to be repaid at the end of 30 years, it would be necessary for the Chancellor of the Exchequer of the time to provide a surplus to that amount, in order to extinguish the debt. The Government were of opinion that this course would be inexpedient; but, in order to prevent the creation of a perpetual burden, they proposed to insert in the act a clause, rendering it obligatory upon the Government, at the conclusion of the war, to set aside annually £1,000,000 until the whole £18,000,000 should be extinguished, and they had negotiated such a portion of the loan as they thought they could obtain in terminable annuities in that species of security. It was proposed, besides the loan, to make an addition to the taxation to the extent of £5,300,000, and he proceeded to state the manner in which this addition was to be effected. It was proposed, he said, to increase the present duties upon sugar 3s. per cwt., varying according to quality, which was expected to produce £1,200,000; to add 1d. per lb. upon coffee, raising the duty from 3d. to 4d., estimated to produce £150,000; and to increase the duty upon tea from 1s. 6d. to 1s. 9d., calculated to yield £750,000, making an addition to the Customs revenue of £2,100,000. The only alteration he contemplated in the stamp duties was the removal of the exemption applicable to bankers' checks drawn within 15 miles, the produce of which he estimated at £200,000. The only augmentation he proposed in the Excise revenue was in the duty upon spirits, by assimilating that upon Scotch spirits, now paying 6s., to that paid by English spirits, namely, 7s. 10d., and by raising the duty upon Irish spirits to 6s. The produce of this alteration he estimated at £1,000,000. This made a total addition of indirect taxation of £3,300,000, and he proposed to raise the remaining £2,000,000 by direct taxation. The Government, after full consideration, had come to the conclusion that the best form of direct taxation was that of the income tax, and by simply adding one per cent., or 2d. in the pound, to the present rate of that tax, the necessary sum would be raised. He should ask the House, in addition, for a power to issue £3,000,000 Exchequer-bills. The Ways and Means for the year 1855-6 would, therefore, be as follows:—

Income from existing taxes...	...	...	£63,339,000
Loan ...	...	...	18,000,000
New taxes to be received in the year	...	...	4,000,000
Exchequer-bills	...	...	3,000,000

£86,339,000

After reading details, showing the expansion of our trade, and insisting that the great mass of wealth in the country could well bear this increased charge, while its resources remained unimpaired, Sir C. Lewis stated shortly the terms of the loan which had been contracted that morning—namely, that the Government had obtained £100 money for every £100 Three per Cent. Consols, the lender of each £100 receiving an annuity of 14s. 6d., terminable at the end of 30 years. He had every reason, he said, to believe that these terms were fair between the contractors and the Government, and that the public would be satisfied with the arrangement; and he concluded by moving various resolutions descriptive of the proposed alterations.

An irregular discussion took place the same evening on the loan, but it presented little feature of novelty. On Monday, the 23rd of April, the debate was entered upon with vigour, and the following report of the principal speeches will be perused with interest, as exhibiting facts and arguments worthy in some cases of remembrance.

Mr. Goulburn hoped the House would excuse him in offering a few brief observations upon the course taken by his right honourable friend the Chancellor of the Exchequer with regard to the loan. It was not his intention to offer any objection to the confirmation of the loan, which, abstractedly considered, appeared to have been contracted on terms fair to the contractors, and not unfavourable to the Government; but, as in future years they might be called on to raise money by loans, he was anxious to point out what he conceived to be incorrect in the principle adopted by his right honourable friend, in order that in future loans the inconvenience of which he complained might be remedied. If he could believe, with his right honourable friend, that Parliament, upon the arrival of peace, would be prepared to apply £1,000,000 of surplus revenue annually to the redemption of the debt they were now about to contract, he should then have less objection to the matter as it stood at present. He (Mr. Goulburn) must say that he doubted the justice of the resolutions of his right honourable friend. The objection to loans had been that they threw a burden upon posterity for the advantage of the present generation; but if they threw the entire burden, not merely of the interest of the loan, but of its redemption, upon posterity, they enhanced every objection which had heretofore been raised to the system of loans. He would ask the House to consider whether it was in the least degree probable that, on the conclusion of peace, Parliament would be prepared to fulfil the engagement into which they were called upon to enter, of raising £1,000,000 of additional taxation annually for sixteen years for the redemption of the loan? He would ask honourable gentlemen whether it was probable, from the experience of past years, that such a plan would succeed? When he first sat in Parliament, many honourable members, thoroughly acquainted with financial matters, advocated the establishment of a sinking fund, and the House adopted a solemn resolution, by which they declared that £5,000,000 a-year should without fail be set apart for the redemption of the debt. Now, did Parliament adhere to that resolution? Quite the contrary. Two years afterwards their conscience failed them; they determined that only £3,000,000 a-year should be set apart for the purpose, and they observed that resolution as religiously as their former resolution. He sincerely hoped his right honourable friend would abandon the resolution which provided for the extinction of the debt, for that resolution, as it stood, would not deceive any persons who were conversant with the financial system of the country. He objected to the principle of this loan, because he regarded the annuities as irredeemable, and any future loan, contracted on a similar principle, would continue to impose burdens upon the country, from which there would be no hope of relief. He was aware he might be told that Consols were redeemable, and, technically, that was the case; but it was required that twelve months' notice should be given before any alteration could take place with respect to them, and he would ask any man conversant with financial affairs, whether it was likely that any Chancellor of the Exchequer would be found bold enough to give twelve months' notice of his intention to deal with such a large amount of funds? He considered that it was the first duty of the Minister to whom the management of the finances of this country was intrusted, to endeavour, as far as possible, to reduce the charges imposed upon the people by the national debt. That could be done only by creating a surplus revenue, to be applied to the reduction of the debt, or by the Minister's availing himself from time to time of those reductions of interest which took place in the general market, in order to relieve the public by reducing the charge of the debt. He (Mr. Goulburn) was aware of the difficulties attending such operations, but he thought it was a duty on the part of the Government, and of that House, not to throw away an opportunity of reducing the interest of the debt, whenever a favourable moment presented itself for effecting such an object. He knew he might be told that Mr. Pitt, who was acknowledged by all to be a great master of finance, raised his loans by offers of Three per Cent. Consolidated Annuities, but the circumstances under which Mr. Pitt acted were totally different from those which existed at the present time. He certainly thought his right honourable friend the Chancellor of the Exchequer would have adopted a safer and a wiser course, if he had made the offer of this loan in the Three per Cent. Annuities, capable of redemption in 1874, rather than in the Three per Cent. Consolidated Annuities, which were irredeemable. He thought that part of the scheme

which included grants of annuities would not be so advantageous as many seemed to anticipate, inasmuch as, while we should gain, on the one hand, the power of cancelling that portion of the debt chargeable on those annuities, we should lose on the other, by preventing the public from going into the public market for the purchase of annuities. In making these observations, he did not forget the difficulties of the Chancellor of the Exchequer's position, and he had been induced to make them chiefly for the purpose of pointing out what he considered would be the most advantageous course to follow in any future loan that might be contracted.

Mr. T. Baring had heard with astonishment the objection which had been taken by the right hon. gentleman to one part of the scheme of the Chancellor of the Exchequer. If there was one member in that house on whom he thought he could have relied more than on another, for the maintenance of the principle of repaying what we had borrowed, that member would have been the right hon. gentleman who had just addressed the House. To his surprise, however, he found that he opposed the clause for applying £1,000,000, after the peace, towards the extinction of this debt. He opposed the clause which said that, when we borrowed in a time of exigency, we should pay when we had the power to do so (hear, hear)—which said, we should borrow for the purposes of war, but that, when peace came, we should show our good faith by being careful to pay. He confessed he saw no good reason, because we had not hitherto adopted the system of repaying what we had borrowed, that the House should now refuse to pass a resolution, expressive of its honest intentions. (Hear, hear.) It was no argument to him that, because they had before abolished surplus revenue, applicable to their past debt, they should not now, in making another loan, assert the principle that, in time of peace, they should pay the debt incurred in war. (Hear, hear.) It was nothing to him that, because this House of Commons was honest, there might be another House of Commons that would not be equally so. The ground on which he supported this clause of the Chancellor of the Exchequer, which he hoped the right hon. gentleman would not be induced to give up, was that he thought it important to lay down as a principle the rule that, while in times of emergency, of exigency, of war, and of trial, debt must necessarily be incurred, it became the duty of Parliament and of the Government, when the means recurred of filling our coffers, to diminish that debt by the application of our surplus revenue. (Hear, hear.) The right hon. gentleman (Mr. Goulburn) asked the house to see how delusive past resolutions had been on this subject. No doubt good intentions often were delusive, but he never knew it inculcated as a moral precept, in consequence, that there never should be good intentions. (Laughter.) The duty of the House was to say we should refrain from borrowing as long as we could, to lay no burthen and impose no obligation on posterity if it were possible to avoid it; but that, when we must necessarily borrow, to do so with the honest intention of reducing the debt as soon as practicable. The right hon. gentleman seemed to think there would be no possibility of carrying out this resolution, that there would be such a pressure on the government that any surplus which might exist would be extinguished; but, though precedent might be against him, he would still cling to the hope that we should find a Government strong enough and honest enough to resist the pressure that might be made for excessive reduction. (Hear, hear.) It had always appeared to him that there was little wisdom in what had been termed an "ignorant impatience of taxation." It was necessary, if we wished to maintain public credit, that we should maintain a surplus revenue (hear, hear); and it was necessary, if we wished to be honest, to apply the surplus revenue obtainable in a time of peace and abundance to the extinction of debt incurred in periods of emergency. He would not enter upon the question whether we could have borrowed better in the Three per Centa. redeemable in 1874, but would only say, that the Minister of the day would in all probability have enough to do with the £250,000,000 which would then stare him in the face, without encumbering him with greater difficulties. (Hear, hear.) He believed the plan of the Chancellor of the Exchequer to be just and honest, and, considering the time and the circumstances in which the arrangement was made, not only creditable in its terms, but advantageous for the Government. (Hear, hear.) The Chancellor of the Exchequer the other night alluded to the propriety of retaining a surplus revenue of £5,000,000. He did not know how far the contingencies were likely to be favourable to that large addition to the taxation, but he



hoped it might be as the right hon. gentleman desired. He must say he was surprised to hear from the hon. member for the Wick burghs a declaration to the effect that the Government could with ease borrow money on terminable annuities. It was all very well in theory and in the closet to say this would be easy; but it should be remembered that in all contracts there were two sides. He doubted very much whether the Government would have been able to borrow money in the way recommended by the hon. gentleman, except by making such sacrifices as would have been repudiated by the House and the country. The hon. gentleman asked the House to see what France had done in the case of railways, where there had been borrowed large sums of money for a period of ninety-nine years. The cases were, however, exceedingly different. That money was borrowed upon government concessions, which were supposed to be most favourable, not on a fixed dividend, but on a fluctuating profit. It was, in fact, a commercial speculation. But he could not imagine that the hon. gentleman supposed we could borrow in that way. We could not farm to contractors the revenue of the country; nor, indeed, could we in any way compare the two modes of raising money, which was for different objects, with different expectations, and with very different inducements. (Hear.) It seemed to him, indeed, the most preposterous notion ever mooted in that house. But then the hon. gentleman said we should try open subscription, as in France. Now, we were bound, in a matter of this kind, to consider the character of the two countries, and the people with whom we had to do. In France, the small owners and capitalists, frightened, perhaps, by all that had passed in their own country, where there had been so much revolution and fluctuation, were accustomed to lay out their savings in small purchases of land, or on mortgages of land, and other safe investments. The French people had, and still have, throughout France, a great deal of money divided among them, either hoarded or employed at a low rate of interest. He did not believe that the same thing existed in England. The Englishman did not keep his little savings by him, but invested them in what he thought would yield him an interest, and he generally required a large interest; and if these £16,000,000 had been offered to the people generally in this country, divided in small sums, he did not believe that they would have been found diverting their existing investments for the purpose of subscribing to a loan on the terms on which the Government obtained it. It was not open to the Government to obtain the money either in that way or by terminable annuities, but they still could act upon a principle of honesty, and maintain that it was the policy of this country to continue keeping a surplus income in time of prosperity, to be applied to the diminution of the public debt. (Hear, hear.)

Mr. Gladstone agreed with the honourable gentleman in the two points to which he had just adverted. He was firmly convinced that it was not possible for the Chancellor of the Exchequer to contract for so large a supply of money in terminable annuities, except at a price wholly extravagant. The honourable gentleman had likewise done a service to the cause of truth in making a statement which would dissipate, it was to be hoped, the delusive opinion which had prevailed in this country, to the effect that it was competent for the Chancellor of the Exchequer to adopt here the means for raising a loan which were wisely used in France, an opinion which he believed was never entertained by those who had made a careful estimate of the immense difference of the circumstances of the two countries. (Hear, hear.) The honourable gentleman, however, had not been just in the comments he had made on the speech which fell from his right honourable friend, though he was glad to see that both concurred in strongly holding the opinion that it was the duty of Parliament in easy times to maintain a surplus revenue for the reduction of the national debt. He knew this to be the opinion of the honourable gentleman from his words, though the honourable gentleman thought his right honourable friend indifferent on the subject; and he knew that it was the opinion of his right honourable friend from something better than his words—from his proceedings when Chancellor of the Exchequer, because it had been the constant and successful endeavour of his right honourable friend to create a large surplus revenue applicable to the reduction of the debt from year to year. (Hear, hear.) He did not believe that there was a man more disposed, in the exercise of the powers of Government, to draw on the confidence of the country for the maintenance of a surplus revenue in time of peace than his right honourable friend

(Mr. Goulburn). The question, then, was, not whether it was desirable to maintain a surplus revenue, but whether the clause which the Government invited the House to pass with a view to the repayment of the loan would assist in its maintenance? The honourable gentleman said it was the assertion of a principle, but he (Mr. Gladstone), though respecting the motives which induced the Chancellor of the Exchequer to propose the clause, doubted whether the House would ever attain the object in view by an enactment of that description. When the honourable gentleman said that this was the assertion of a principle, he (Mr. Gladstone) must observe that he apprehended that when Parliament wished to make a solemn expression of its conviction, the proper place for so doing was not in the clause of a bill, but in the preamble. What was the use of Parliament enacting a clause for the purpose of declaring what it had no power to give effect to? This clause purported to be a contract and pledge, but a future Parliament might, many years hence, question the right of the present Parliament to abridge the discretion of that future Parliament, by not merely asserting the principle that a surplus revenue should be maintained applicable to the extinction of the debt, but by specifying the particular amount and form of investment, with respect to which the future Parliament would be a better judge than the present. (Hear, hear.) It would not promote the object in view, and it would be going beyond the province of the present Parliament to dictate to a future Parliament the manner in which it should exercise its discretion on this subject. Another great disadvantage attending the proposed mode of proceeding was, that the clause provided not only that £1,000,000 a year should at a future period be set aside for the extinction of the debt, but that the money should be applied in the redemption of Consols. Now, how could the House, at the present moment, tell whether it would be advisable, in 1860 or 1870, to lay out the million in the purchase of Consols or of other stock? It might be preferable to redeem Exchequer bills or Exchequer bonds, or other stocks; and were they likely, then, to promote by such enactments the maintenance of a surplus revenue? However much he respected the motives of the Chancellor of the Exchequer in proposing such a clause, he was of opinion that the present Parliament had better rest satisfied with the performance of its own duties, and would do well not to undertake to teach future Parliaments theirs. He must not be told that the proposed clause was at any rate harmless; for were not enactments of this kind calculated to throw dust in the eyes of the people and create delusive hopes? Were they not calculated to give undue facilities for the creation of unnecessary loans, by pretending to provide the means of repayment? (Hear, hear.) These were grave questions, and he believed that the more straightforward and explicit the proceedings of that House were, especially in matters concerning the money of the people, the better. Before he sat down he wished to draw attention to what he supposed must have been an inadvertence. On consulting the votes, he found that not only the resolutions relating to the loan, and to the Customs and Excise duties were, in conformity with previous practice, voted, but the committee had also voted, on the moment of its proposal, the resolution for the imposition of a new income tax. Now, he apprehended that the privilege of discussing all resolutions relating to taxation, on their first proposal, was one of the most important privileges of the House, though that privilege was occasionally wisely waived when it was necessary to confirm a contract, such as a loan, or when it was necessary to prevent a waste of the public resources, as in the case of the Customs and Excise duties. No reason whatever of this kind was applicable to the income tax, for there was no proceeding to be taken with regard to it which depended in the slightest degree upon the resolution being passed on Friday night. The same observation applied also to the stamp on bankers' cheques. The invariable usage was to give the House time for consideration, after hearing the financial statement, before calling on it to proceed to any vote. The right hon. gentleman, the member for Buckinghamshire, when he made his financial statement in December, 1852, not only did not press the House for any vote, but it was actually in the first stage, in the preliminary committee, that his proposals were resisted and rejected by a majority. The present departure from the usual practice had, no doubt, happened inadvertently, but the point was of such grave importance, that he had felt it his duty to enter his protest against it.

• Mr. McGregor (Glasgow) contended that the Chancellor of the Exchequer

ought to have submitted the loan to open competition by which means he would have been enabled to obtain £20,000,000 at par, in terminable annuities, at 4 per cent., and thus, with the aid of £3,000,000 of Exchequer bills, he could have provided for the expenses of the year, without increasing the taxation of the country.

Mr. Laing rose to correct the misapprehension into which the honourable member for Huntingdon (Mr. Baring) had fallen, in respect to the argument which he had used on Friday night. The great object which he had then urged against the Chancellor of the Exchequer's scheme was founded on the creation of so large an amount of debt in the ordinary Three per Cent. Consolidated Stock, and he had not argued distinctly in favour of the creation of terminable annuities, but had simply represented that it would have been possible for the right honourable gentleman to have raised an equally large amount either by a system of terminable annuities, or by the creation of stock at the market rate of interest which the Government credit would have commanded at the time, viz., at 3½ per cent. Another very serious objection which he felt to the right honourable gentleman's proposition was, that as the Three per Cents. were, to a great degree, the barometer which regulated the state of our national credit, owing to there being a large amount of trust and other moneys of the same description ready to be invested in them, the result of adding so largely to this description of stock would be, to make the other securities range at a lower rate than they otherwise would do. Had not the price of Consols been unnecessarily depressed by the sale of savings bank stock, and had the loan been proposed in some other description of stock, Consols would have stood some 3 per cent. higher than they did at the present time. But a fall of 1 per cent. in Consols was equivalent to a diminution of about £10,000,000 in the value of the whole national securities, and a scheme which, for the sake of getting only £16,000,000, caused even a temporary diminution in the aggregate value of the national property to the amount of some £25,000,000 could not be a very good one. Except in case of great urgency, any addition to the Three per Cents. ought to be avoided. In his opinion, it would have been practicable for the Chancellor of the Exchequer to have resorted to the plan of terminable annuities, and it was for the purpose of showing that they were quite as marketable as any other description of security, that he had, on Friday, quoted the case of the French railways, where there was somewhere about £100,000,000 of property invested entirely in terminable stock. It was a mere question of price, and, though, no doubt, a considerable present sacrifice would be inevitable, yet now that we were, in all probability, at the commencement of a new series of loans, it was well worth trying whether they could not be advantageously effected in terminable stock. The Chancellor of the Exchequer might easily have ascertained from the great moneyed corporations at what price they would effect such a loan; and, if the sacrifice had appeared too great, he would then have had the other alternative open to him of effecting it in Three-and-a-Half per Cents., by which means, though no actual reduction of debt was secured, yet there would have been a prospect of effecting, at some future period, a reduction in the interest. The honourable member for Huntingdon had misunderstood the argument of the right honourable gentleman the member for Cambridge University. The right honourable gentleman did not object to the principle of attempting to reduce the debt, but to a mode of doing so which would be entirely illusory. If the Government were in earnest, let them embody this principle in the very terms and essence of the loan, and then the performance of the obligation so imposed could not be shrunk from without their committing an act equivalent to national bankruptcy. They certainly ought not to burden posterity with a perpetual charge of this description; but he (Mr. Laing) could not be a party to the creation of a mere fictitious guarantee for the repayment of this loan, which, when it came to be tested, would not hold water.

Mr. James M'Gregor said that the hon. member for the Wick burghs (Mr. Laing) had quoted as a parallel to this loan the raising of a large sum of money on the French railways, upon which £100,000,000 were borrowed in what the hon. member called terminable annuities. Now, the fact was, that the profits on the French railways were so large that they enabled a considerable sum to be regularly laid by for what was termed an *amortissement*, by which means the parties who subscribed \*he, £100,000,000 received back again, on the expiration of the lease, the amount

of the capital they had previously invested. It would be well for the unfortunate holders of railway property in England if they could receive back their original capital. With regard to the contract which the Chancellor of the Exchequer had entered into for this loan, it was only fair to say that, in the difficulty in which he had been placed in having to borrow £16,000,000 concurrently with the imposition of additional taxes, the right hon. gentleman had conducted the operation in a highly satisfactory manner, and that its execution reflected upon him the greatest credit.

Mr. Hankey had heard with much 'astonishment' the objection by the right hon. gentleman the member for the University of Oxford to that House pledging itself to the redemption at a future time of the loan now to be raised. Why, that was precisely the same course which that right hon. gentleman himself pursued last year, when he raised a certain sum upon Treasury bonds, and asked the House to agree to a certain amount of taxation, to afford him the means at a subsequent period of redeeming those bonds. Thus the House was involved in a pledge to maintain a certain amount of taxation to enable it to fulfil the engagement into which it had entered; and it was no more than what the present Chancellor of the Exchequer asked them to do in regard to the repayment of this loan. It would in no way be inconsistent with their duty to give the best pledge in their power for the honesty of their intention, when peace should happily be restored, to maintain such an amount of taxation as would admit of the gradual reduction of the national debt to the point at which it stood before the contraction of this loan.

Mr. Wilkinson doubted the wisdom of the House now entering into a pledge to be fulfilled hereafter, when the circumstances of the country might be altered in a manner which it was utterly impossible for anybody now to foresee. With regard to the creation of  $3\frac{1}{2}$  per cent. stock, as suggested by the hon. member for Wick, that course, in the present state of the monetary affairs, would not have been expedient.

Mr. Cardwell was surprised to hear the hon. member for Peterborough (Mr. Hankey) confound the issuing of Exchequer-bonds upon a distinct contract with the lender of the money, with a clause in a bill which would form no stipulation of the contract entered into with the persons advancing the loan, but would be a mere vague paper promise, which those who made it had no power whatever to perform. In contracting loans and pledging the public credit, they might be embarking in a course which would prove erroneous, and therefore his right hon. friend (Mr. Goulburn) argued, that the public should be made aware at the outset of the real nature of the obligation to be imposed upon it, and not be lulled into a false security by the flattering idea that this would only be a temporary loan, to be repaid on the conclusion of peace, when, in fact, no provision either was or could be made in this manner for effectually carrying out such an engagement. With regard to the raising of the loan, it was all very well for the hon. member for Wick to say that it was only a matter of price, but it was the duty of the Chancellor of the Exchequer, after making the best calculations in his power, to secure for the public the largest sum of money at the cheapest possible rate. As to the expediency of borrowing upon loans terminable on shorter notice than a twelvemonth—in doing so they obtained a substantial return for any additional price they paid to the lender, because it was well known that the condition of giving twelve months' notice presented a serious practical obstacle to the operation of reducing the interest on the debt. It was no sufficient answer to this to say that those loans, the interest of which could be lowered on a shorter notice, were already large in amount; for it was obvious that the greater the proportion of debt over which they could spread a reduced rate of interest, the better would it be for the public.

The Chancellor of the Exchequer—I have listened with the utmost respect to the remarks made by my right honourable friends the members for the two Universities on the proposal contained in the resolution before the House, with respect to the annual repayment of the loan after the expiration of the war. The opinions they expressed will command great weight, not only from their financial experience, but from their ability in all matters relating to this branch of the subject. Sir, I fully admit that the resolution in question is not a matter of contract between the Government and

the lenders, and it is perfectly open to this House to consider this question, without placing any limit on the discussion, and to deal with the clause, when the bill is before them, as they may think fit; but this proposition has been deliberately proposed to the House by the Government, as they believe it to be a proper and defensible proposition, and when the proper time comes, they will feel it their duty to adhere to, and to take the sense of the House upon it. I cannot but think that there has been some misapprehension as to the precise effect of the proposition in question. On Friday night, when I explained its nature, what I distinctly stated was, that this House could not make any irrevocable law; that an act passed by this Parliament might be repealed by a Parliament fifteen years hence; and that we could not do anything which would effectually tie up the hands of our successors. Precisely the same objection that my right honourable friend makes to this proposition might be made to every act which passes this House which affects future generations. There is nothing peculiar in the proposition which we make. It cannot control the future discretion of Parliament; but the effect which it would have, if it received the authority of law, is this—it creates a permanent charge on the Consolidated Fund, and it becomes the duty of the existing Government to make provision for that sum out of the Ways and Means of the year (hear), and it will be the duty of the Chancellor of the Exchequer, so long as this act remains unrepealed to estimate for £1,000,000 in his annual Budget for the purpose of repaying the loan now contracted. I am perfectly aware that it may so happen that the nation may be engaged in war, or that there may be some pressing necessity which may render it inexpedient that the surplus revenue of a particular year should be applied to the reduction of this debt. If so, it will be in the power of Parliament to untie the hands of the Government, and to repeal, either permanently or temporarily, this provision which makes it necessary that the Government should provide this £1,000,000, and to make any provision which they may deem suited to the exigencies of the time; but, until Parliament does so interfere, and does so untie the hands of the Government, it will have to make this provision for the extinction of the debt. This is all that it is possible for us to do; for we can in no way place a limit on the future discretion of Parliament. We are all unwilling to create a permanent burden for posterity, and circumstances prevent us from borrowing so large a sum as the loan required in terminable annuities. It has been stated by the honourable member for Huntingdon, who is entitled to speak with great authority on this subject—and I am satisfied that his statement will be confirmed by all persons who will carefully consider the question—that a loan of £16,000,000 cannot be effected on terminable annuities without giving terms so extravagant that the Government would be justly condemned if it agreed to accept them. (Hear, hear.) I question whether, without giving terms absolutely extravagant, so large a loan could be effected at all in terminable annuities of thirty years; for there is a great objection on the part of the public to receive back every year a portion of their capital in dribbles, subjecting them to the necessity of expending their capital as income, or of re-investing it in a troublesome manner in small sums, under embarrassing circumstances. These would be difficulties so great, that it is very questionable whether so large a loan could be effected at all in terminable annuities. As it was not, therefore, in the power of the Government to effect the loan in terminable annuities, they have gone so far as they believed they possibly could—they have raised a portion in perpetual stock and they propose, at the same time, to make it obligatory on the existing Government to apply for £1,000,000 annually to extinguish the debt so created. I am willing to admit that this is not a paramount authority, and that Parliament has the power to rescind it; but it is impossible for us, without making repayment of the debt matter of specific contract between the Government and the lenders, to impose more stringent obligations. With regard to terminable annuities, there is this advantage—the repayment of principal and interest is made a matter of specific contract between the Government and the lenders; but with regard to perpetual annuities this is not and cannot be the case. The right hon. member for Cambridge made some remarks as to the expediency of contracting for this loan in 3 per cent. securities rather than in Consols, on the ground that one was redeemable by a year's notice, which, with regard to the other stock, was not the case. He spoke of Consols as being irredeemable; but I cannot help thinking that he confounded two ideas which are wholly different—viz, the reduction of

Interest on stock and the extinction of that stock; for, if the House should at any time be induced, as I hope it will be, to make a real sinking fund, and not an imaginary and illusory one, founded on the principle of borrowing and the principle of compound interest, I see no reason why Consols, or any perpetual annuity, should not be redeemed by the Government going into the market and buying up and extinguishing so much stock, as well as by the reduction of interest. I am not very sanguine as to reducing—within the lifetime of the present generation—the interest on 3 per cent. stock, but I see no reason why we may not extinguish any amount of stock by applying to the purchase of it surplus taxation. My right hon. friend seemed to speak of perpetual annuities as though they were inextinguishable, and he seemed to contrast terminable annuities as something the Government can extinguish, with perpetual annuities as something which the Government cannot extinguish; but no error, I think, can be more striking with regard to a mere financial question. Perpetual annuities are convenient, both to those who lend and to those who borrow. They are convenient for the Government, because it cannot be called upon at any definite time to pay the principal—they are convenient for the lenders, because they cannot be required at any definite time to call back their principal; but if the Government is in possession of revenue applicable to the extinction of such debt, it can go into the market and buy up perpetual annuities, and as effectually extinguish them as any other stock. The provisions that have been made at different times for the establishment of a sinking fund have gone on the assumption that they would place the Government in a position to extinguish the debt; but the sinking funds of 1823 and 1827 rendered it necessary that a surplus of £5,000,000 in one case, and £3,000,000 in the other, should be applied in redemption of the debt. I regret that these acts have been repealed, but I trust that when the war ceases there may be a disposition to return to that wholesome system. But let not the house suppose that the existence of perpetual annuities presents any difficulty which impedes the extinction of debt, or that if they would consent to raise an annual surplus they could not redeem those annuities on the most advantageous terms. Something has been said upon the subject of opening a subscription loan. I entirely concur with the very instructive remarks made upon that subject by the hon. member for Huntingdon, who illustrated it by a comparison of the different circumstances of England and France. It is also to be remembered that if we opened a subscription loan in this country, we should create a demand upon the savings banks, which we could only meet by a sale of the stock belonging to the Government, and in that manner we should cause a drain upon our own funds. Another circumstance which hon. members ought not to omit to mention is, that if a loan were raised by subscription, it would be necessary for the Government to fix the price at which they would receive subscriptions. The subscription would necessarily be kept open for a considerable time, and therefore, in order to insure the obtaining of the loan, it would be necessary to fix that amount within certain limits, and the Government would necessarily lose the advantage of competition in the money market. Even when it happens that only one tender is sent in, the persons who make that tender act under the influence of competition, and with the knowledge that if the terms they offer are not reasonable, others are ready to offer more moderate terms. I heard with satisfaction the testimony rendered by so great an authority as the hon. member for Huntingdon with respect to the terms upon which the loan has been effected. I have every reason to believe from all I have heard since the acceptance of the tender that, while those terms were fair and advantageous to the contractors, they were also beneficial to the public, and that the very onerous responsibility which lies on the executive Government, in contracting a loan without its being possible for them to obtain the previous sanction of Parliament, has been met in a manner which will receive the approbation of the house. Some remarks have been made as to its being advisable that the Government, before receiving tenders for a loan, should inform the house of the conditions upon which it is to be offered to the public. I can assure hon. gentlemen that if the matter had depended merely on the wish of the Government to divest themselves of a somewhat painful responsibility, they would unquestionably have resorted to that course. On examination, however, of the precedents of previous loans, and of the possibility of adopting such a course, they found they had no alternative but to adhere strictly to the practice of former times, and to take upon themselves the responsibility of making a

provisional contract, before they asked for its confirmation by the House. I must express my regret at having inadvertently done anything contrary to the practice of the House with reference to the income tax resolution, and I can only say that, during my experience in such matters, the course that I took has been adopted. (Hear, hear.) No objection was made when the resolution was put from the chair, and nothing was said upon the subject of the income tax. If any objection had been communicated to me I should unquestionably have postponed the resolution. I am not aware that there is any other point which at present requires explanation. I will only add that a great distinction exists between those conditions of the loan which are matters of contract between the Government and the lenders, to which the Government are in honour bound to adhere, and the provision for the annual repayment of £1,000,000. That is a provision which is perfectly open to consideration and discussion by the House at any time.

Sir H. Willoughby did not understand why the Chancellor of the Exchequer had effected a loan for so large an amount. The right hon. gentleman had allowed himself a margin of above £5,000,000, which he thought was too large a sum, and a margin was usually covered by a vote of credit, which the right hon. gentleman intended to take to the amount of £3,000,000. He was not disposed to find fault with the terms of the loan, or with the provision which gave some security for its redemption, but there was one point upon which he wished for an explanation. The right hon. gentleman took credit for £1,000,000 due to the National Debt Commissioners, in consequence of the sale of savings bank stock, and he could not understand why the right hon. gentleman, having the intention to obtain a loan at 3 per cent., had been selling that stock in the market, and thereby injuring the market to his own disadvantage. He thought the terms of the loan were fair in all respects but one, and that was in the imposition of an additional income tax upon the annuities in which the loan had been partly contracted, the day after the contract had been entered into.

The Chancellor of the Exchequer said that, with regard to the savings bank money, the act authorised the Government to direct the Commissioners for the Reduction of the National Debt to sell stock belonging to the savings banks, and to exchange them for any other Government securities. Exchequer-bills, although they were temporary and renewable securities, were just as binding upon the Government as securities which had a longer duration; and when the Commissioners for the Reduction of the National Debt sold stock and took Exchequer-bills in exchange from the Government, they did not diminish the strength of their securities, but merely varied the form; and it was a mistake to suppose that they thereby endangered the deposits of the savings banks. He had already stated that the loan of £16,000,000 was as near as possible half the extraordinary expenditure of the year. With regard to terminable annuities, the lenders of money necessarily exposed themselves to the fluctuations that might take place in the amount of income tax. He hoped that ere long a diminution in that tax might take place, in which event these parties would share in the benefit of such reduction. These fluctuations, of course, entered into the calculations of these persons in the offers they had made.

Mr. W. Williams wished to know whether the estimate of £86,000,000 included the cost of collecting the revenue?

The Chancellor of the Exchequer.—Yes; I apprehend it does. It includes the whole of the money voted in Supply.

The resolution was then agreed to by the House, as were resolutions 2, 3, 4, and 5.

On the sixth resolution, providing that a sum of £1,000,000 per annum be applied, after the conclusion of peace with Russia, towards the redemption of the £16,000,000 Consols,

Mr. Gladstone wished to submit two points to the consideration of his right hon. friend. The object of the Chancellor of the Exchequer was to secure the application of a certain amount of money in time of peace towards the reduction of the national debt. But that object might be attained without adopting the objectionable and awkward course of binding the Commissioners for the Reduction of the National Debt to lay out money in redeeming a particular description of security which it would be most unwise to purchase. He would suggest that the clause

should give the Chancellor of the Exchequer power to issue his £1,000,000 a-year, and to force the Commissioners to lay out that money in the reduction of some public security until an amount of Government debt had been redeemed equal to the amount which Parliament was about to create. That, he thought, would be a practical improvement, and it avoided what might prove to be an inconvenient provision, because it would enable the Government to buy up not only Three per Cent. Consols, but any other public security, according to their discretion. The other suggestion was a very friendly one to come from a man who was not favourable to the substance of the clause. He doubted whether the clause was wide enough. The Chancellor of the Exchequer created £16,000,000 Consols, and the object of the clause was to require the payment of as much money at the rate of £1,000,000 per annum as would redeem £16,000,000 of Consols. But Consols might be redeemed from other sources, and in five years after the conclusion of peace there might be £10,000,000 of surplus in that form, so to be applied by the Commissioners for the Reduction of the National Debt. If so, the Chancellor of the Exchequer would not get £16,000,000 paid under this clause, for the authority of this clause would cease as soon as £16,000,000 worth of Consols were redeemed, whether it were redeemed by money under this clause, or by the general application of the law relative to an appropriation of a portion of the surplus revenue towards the reduction of the national debt. He doubted, therefore, whether the clause was strong enough for the object proposed.

Mr. T. Baring thought that the adoption of the first suggestion of the right hon. gentleman would entirely frustrate the object of the clause. There was a great variety of Government securities, and the alteration suggested by the right hon. gentleman would enable the Chancellor of the Exchequer to buy up the Exchequer-bonds of the right hon. gentleman (Mr. Gladstone) when they fell due, or to buy up Exchequer-bills, if it were convenient to the Government of the day to take £1,000,000 of them off the market, or the deficiency bills of the savings banks might be taken off the market. The object of the Chancellor of the Exchequer was that, beyond any other claim upon the Exchequer, £1,000,000 a-year should be applied to the redemption of the Consols created by this resolution. He could not, therefore, understand that there could be any other object in the suggestion made by the right hon. gentleman than to frustrate that arrangement.

Mr. Gladstone thought he was hardly open to the remark, that his object was to frustrate the intention of the clause, and he must ask the hon. gentleman to explain his meaning.

Mr. T. Baring assured the right hon. gentleman that he had only intended to say that the effect, and not the object, of the right hon. gentleman's suggestion would be that which he had described.

The Chancellor of the Exchequer said, the alteration which his right hon. friend had suggested was what he had thought it necessary to provide for—that was to say, not to exclude Exchequer-bills or Exchequer-bonds, or any other description of security, not Three per Cent. Consols, from being redeemed under this clause. Perhaps the House would allow him to consider the suggestion, and, if it should be found desirable to make the change pointed out, it could be done when the bill was before the House. He certainly did not see any objection to applying the £1,000,000 a year, whether to the redemption of the funded or the unfunded debt. With regard to the other point referred to by his right hon. friend, it was difficult, at the moment, to see what would be the precise effect of the suggestion he had made. It was, of course, desirable to avoid giving the words of the clause a wider extension than they would be strictly intended to bear; he would, therefore, consider the point adverted to by his right hon. friend, and state his opinion respecting it on a future occasion.

Mr. W. Williams complained that the £86,000,000 of money required for the expenditure of the current year did not include the cost of the collection of the revenue.

Mr. Wilson explained that all the accounts relating to the expenditure for the present year had been made up according to the old system, which excluded the cost of collection on one side of the account, as well as the gross amount of revenue on the other. For the future, the accounts would show both these items.

The following resolutions were then agreed to :—



"1. That, towards raising the supply granted to Her Majesty, the sum of £16,000,000 be raised by annuities.

"2. That every contributor to the said sum of £16,000,000 shall, for every £100 contributed and paid, be entitled to the principal sum of £100 in annuities, after the rate of 3 per cent., to commence from the 5th day of January, 1855, and to be added to and made one joint stock with the existing Consolidated Three per Cent. Annuities, and to be payable and transferable at the Bank of England, at the same times and in the same manner, and subject to the like redemption as the said Consolidated Three per Cent. Annuities.

"3. That every such contributor shall also be entitled, for every £100 contributed and paid, to a further annuity of 14s. 6d. for thirty years, to be payable and transferable at the Bank of England, and to be payable on the 5th day of April and the 10th day of October in each year by equal half-yearly payments, the first payment to be made on the 10th day of October, 1855, and the last payment on the 5th day of April, 1885.

"4. That the said several annuities so to be payable as aforesaid shall be charged upon and paid out of the Consolidated Fund of the United Kingdom of Great Britain and Ireland.

"5. That every contributor shall, on the 24th day of April, 1855, make a deposit of £10 per cent. on such sum as he or she shall choose to subscribe towards raising the said sum of £16,000,000 with the chief cashier or cashiers of the Governor and Company of the Bank of England, as a security for making the subsequent payments on or before the days or times hereinafter mentioned (that is to say):—

Payment of £15 per cent. on or before the 22nd of May, 1855.			
"	£10	"	19th of June, 1855.
"	£15	"	17th of July, 1855.
"	£10	"	21st of Aug., 1855.
"	£10	"	18th of Sept., 1855.
"	£10	"	16th of Oct., 1855.
"	£10	"	20th of Nov., 1855.
"	£10	"	18th of Dec., 1855.

That all the moneys so to be received by the said cashier or cashiers of the said Governor and Company of the Bank of England shall be paid into the account of the Receipt of Her Majesty's Exchequer at the Bank of England, to be applied from time to time to such services for Great Britain and Ireland as shall then have been voted by this House in this session of Parliament, or to the redemption of the principal and interest of any Exchequer bills issued or to be issued under the authority of the Act of 57 George III., cap. 48, or under the authority of any Act of the present session of Parliament, authorising the application of moneys out of the Consolidated Fund for the service of the year ended the 31st of March, 1855, and of the year ending on the 31st day of March, 1856.

"6. That for the purpose of the extinction from time to time of a sum of Consolidated Three per Cent. Annuities, equal to the amount to be added to the said joint-stock as aforesaid, there shall be issued and paid out of the Consolidated Fund of the United Kingdom of Great Britain and Ireland, or out of the growing produce thereof to the Commissioners for the Reduction of the National Debt, in the financial year, commencing on the 1st day of April, which shall first happen, 12 months after the ratification of a definitive treaty of peace with Russia, and in every subsequent year until such sum of Consolidated Three per Cent. Annuities is extinguished, the sum of £1,000,000, provided that in case in the last year in which such sum would be payable the sum necessary for purchasing the remaining portion of the said sum of Consolidated Three per Cent. Annuities be less than £1,000,000, then so much only of such sum as may be necessary for that purpose shall be issued and paid as aforesaid, and the sums so to be issued and paid to the Commissioners for the Reduction of the National Debt shall be applied by them in the purchase of Consolidated Three per Cent. Annuities, in the manner directed by the Acts for the Reduction of the National Debt, until a sum of £16,000,000 Consolidated Three per Cent. Annuities has been extinguished and cancelled.

**THE UNITY MUTUAL JOINT-STOCK BANKING COMPANY.**

ANOTHER project has been announced for the extension of the system of joint-stock banking, by the parties connected with the Unity Fire and Life Assurance Companies. The proposal is to introduce the principle of dividing the profits between the customers and the shareholders, both of whom are equally interested in the success of business; and if, under the deed of settlement, all legal difficulties can be obviated, the result may prove advantageous. The development of banking enterprise through such a medium will be very extensive, not only in the metropolis, but also in the provinces, if the progress of the present undertaking shall be found satisfactory; but, in the meanwhile, the promoters must be prepared to encounter an opposition which will in some measure test the practicability of their plans. With an influential proprietary and a widely distributed connection, the organisation of such an establishment could not have been more opportunely attempted, but it will require sound experience in every department to bring it into full and effective operation.

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**INCOME TAX ON COLONIAL STOCKS.**

ATTENTION was recently directed to the unjust practice of deducting income tax from the dividends due to foreign holders of colonial stocks, payable through an agency in this country. The case then brought forward was ably stated by Mr. Leverton, the solicitor of a French gentleman, entitled to certain dividends on Canadian stock, from which Messrs. Baring, under their interpretation of the law, considered themselves bound to deduct the tax. Subsequently the annexed correspondence has passed with the Government, whence it will be seen that, although the letter of the law is still held to warrant the reduction, the Treasury have resolved to allow an exemption in all such instances for the future.

“TO THE RIGHT HON. THE COMMISSIONERS OF HER MAJESTY’S TREASURY.

“My Lords,—I have the honour to forward a copy of a correspondence that has recently taken place between the Messrs. Baring, the Messrs. Freshfield, and myself, by which your Lordships will perceive that M. Posno, a foreigner, residing abroad, has been subjected to a gross injustice, for which practically he has no redress, except that which he may obtain by an application to your Lordships, Messrs. Freshfield having finally refused to return either the dividend warrant, or the £8 15s. deducted for pretended income tax, on the ground that Messrs. Baring had been assessed to it, and that the Commissioners of Inland Revenue insisted upon the payment. My client would bring his action against Messrs. Baring, but that I fear they are protected by the very comprehensive indemnity clauses of the Income Tax Act, while, to commence litigation for £8 15s. against the Crown, under such a system of judicial procedure as our own, would be a remedy infinitely worse than the original wrong. I will not trouble your Lordships with a repetition of the arguments contained in my letter to Messrs. Freshfield, a perusal of which, I trust, will satisfy you that the construction put upon the Income Tax Act by the Commissioners of Inland Revenue is not merely wrong, but a gross violation of international polity.

I have learned also, and with considerable surprise, that the construction put upon the act in this case is by no means uniformly adhered to. Messrs. Reuter, Messrs. Fiest, and Messrs. Levin and Adler have informed me that, in general, they have succeeded in getting the income tax returned from the Commissioners, or not deducted, in the first instance, by Messrs. Baring, and other agents for foreign governments.

I trust that calling your Lordships' attention to these facts will be sufficient to procure an order for the refunding of the amount improperly and, as I respectfully submit, illegally retained by the officers of the Government, and will also procure the establishment of a uniform rule, consonant to justice.

I have the honour to be, my Lords,  
Your Lordships' most obedient humble servant.

MONTAGUE LEVERSON."

"*London, 12, St. Helen's-place, City, Feb. 26.*"

"To Mr. MONTAGUE LEVERSON.

"SIR,—The Lords Commissioners of Her Majesty's Treasury have directed me to acquaint you, with reference to your application for return of income tax paid upon dividends upon colonial stock held by a foreigner residing abroad, that there can be no doubt that the dividends in question, although due to a person living abroad, if paid in England, are liable by law to the income tax, and that the cases of exemption to which you refer have application, not to colonial, but to foreign stock; in respect to which, though by the act such stock is equally liable to income tax, my Lords were pleased, by a minute of this Board, to direct the Commissioners of Inland Revenue to allow an exemption.

I am, however, to state that, upon a consideration of your application, my Lords are not prepared to recognise any distinction between foreign and colonial stock, and they have been pleased, therefore, to instruct the Commissioners of Inland Revenue to make the exemption common to both in future.

Their Lordships have also directed the Commissioners of Inland Revenue to repay to you the sum deducted on account of income tax, in the case referred to in your application.

I remain, sir, your obedient servant,

JAMES WILSON."

"*Treasury Chambers, April 5.*"

#### THE NEWCASTLE-UNDER-LYME OLD BANK.

THE bank of Messrs. Kinnersly and Sons, of Newcastle-under-Lyme, has relinquished business in favour of the National Provincial Bank of England. Mr. Kinnersly recently died, and leaving no partner, his executors determined upon winding up the concern, and lost no time in effecting this arrangement. The following is the joint circular issued:—

"The executors of the late Mr. Thomas Kinnersly, of Clough Hall, beg leave to announce to his friends, and the customers of the Old Bank at Newcastle-under-Lyme, that they have concluded arrangements with the directors of the National Provincial Bank of England, for the transfer to that establishment of the business of the Old Bank. That business will be continued, and its existing liabilities will be liquidated, and its assets collected, at the premises of the Old Bank. In concluding these arrange-

ments, and finally terminating their own connection with the banking business, the executors have exercised a disinterested judgment, with the attentive regard which they felt due to the benefit and convenience of the district by the introduction of an establishment which, from its great and successful experience, its large paid-up capital and reserve fund, and its numerous and highly respectable and responsible proprietary, is eminently entitled to public confidence. Under these circumstances, the executors earnestly solicit a continuance, in favour of the succeeding establishment, of the trust and favour so long and largely enjoyed by the Old Bank. The above arrangement takes effect on Saturday next, the 14th of April, and the business will, upon and from that day, be carried on by the National Provincial Bank of England.

We are, &c., &c.,

JOB MEIGH, FRANCIS BOYDELL,

*Executors of Thos. Kinnorsly."*

*April 12th, 1855.*

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*" National Provincial Bank of England.*

"The directors of the National Provincial Bank of England have the pleasure to confirm the announcement made by the executors of the late Mr. Kinnorsly, in the prefixed letter, and to state, that the branch which they have opened at Newcastle-under-Lyme, has been placed under the management of W. C. Gemmell, Esq. Interest will be allowed on deposits, and all other banking business transacted upon the usual terms. Arrangements have also been made by which the customers of the late firm, who are holders of Government stock or other public funds, will receive their dividends under the old powers of attorney as heretofore. The directors of the National Provincial Bank of England beg to refer to the accompanying list of its proprietors, and to express a hope that the confidence and support which Messrs. Kinnorsly and Sons so extensively enjoyed will be extended to their successors, who open at Newcastle with every desire to consult the best interest of the customers of the late firm, and to identify themselves with the welfare of the district at large.

By order of the Court of Directors,

DAN. ROBERTSON, *General Manager."*

*" 112, Bishopsgate-street, London,  
April 12th, 1855."*

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NEGOTIATION OF THE £16,000,000 LOAN.

A LOAN for £16,000,000 sterling has been negotiated, and Messrs. Rothschild and Sons are the contractors. The extraordinary expenditure occasioned by the war, and the certainty that supplies will be speedily requisite to meet the heavy charges falling upon the Treasury, prepared the public for an announcement of the kind from the new Chancellor of the Exchequer, Sir G. C. Lewis. Reports for a week previously prevailed that such an operation was intended, and for some days before the 13th of April, the date of the official notice, it was awaited with anxiety. The letter, addressed to the Governor and Deputy-Governor of the Bank, desired those functionaries to communicate to the members of the Stock Exchange the fact, that Lord Palmerston and the Chancellor would be ready to receive, on the fol-

lowing Monday, such parties who might be willing to open negotiations with the Government.

On Monday, the 16th of April, there was a numerous attendance of capitalists at the Treasury, to receive information relative to the amount and terms of the proposed loan. The Government was represented by Lord Palmerston and the Chancellor of the Exchequer; the other parties officially present were—Mr. Wilson, M.P., Sir C. Trevelyan, Sir Alexander Spearman, and the Governor and Deputy-Governor of the Bank of England. Among those connected with the moneyed interest were—Barons L. and M. Rothschild, Baron Goldsmid, Messrs. Alderman Salomons, R. Thornton, Robarts, Lawrence, Steer, Norbury, Trotter, Hammond, B. and L. Cohen, Hutchinson, B. B. Williams, M. Uzielli, C. M'Garel, &c.

Shortly after one o'clock, the hour appointed for the proceedings, the Premier and Sir G. C. Lewis having taken their seats, the latter read the following as the terms upon which it was proposed to raise £16,000,000:—

**"PARTICULARS OF THE PROPOSED LOAN.**

"1. The loan to be for the sum of £16,000,000.

"2. For every £100 subscribed in money the contractors to have £100 3 per Cent. Consolidated Annuities, and a terminable annuity for thirty years, ending on the 5th of April, 1885.

"The biddings to be made in the terminable annuity.

"3. The interest on the 3 per Cent. Consolidated Annuities to commence from the 5th of January, 1855, and the terminable annuity to commence from the 5th of April, 1855.

"4. The days of payment and the proportions of the contributions to be paid to be as follows:—

On Tuesday,	April	24	deposit of	10 per cent.
"	May	22	payment of	15 "
"	June	19	"	10 "
"	July	17	"	15 "
"	August	21	"	10 "
"	September	18	"	10 "
"	October	16	"	10 "
"	November	20	"	10 "
"	December	18	"	10 "

"5. For each instalment after the deposit a proportional amount of stock to be created for the contributors.

"The stock payable on the deposit to be created at the same time with that which will be due on the last instalment, when the terminable annuity will be also written in to the contributors' names in the books of the Bank of England.

"6. The biddings to be made at the Treasury on Friday morning, the 20th of April, 1855, at ten o'clock."

The first point to which attention was called was raised by Messrs. Hutchinson and Hammond, and related to the non-allowance of discount for payments in anticipation. It was stated, in reply, by the Chancellor that the financial arrangements of the Government prevent the necessity of any such assistance. Although no discount is to be allowed, stock will be immediately created for all who may pay the instalments in full. With regard to the presumed privilege, alleged to

have been asserted on previous occasions, of corporations and other public bodies subscribing for a portion of the loan to take what they applied for, it was intimated on behalf of the Government that no such right would be recognised. This, it was stated, would be a politic step, because on former periods the totals so taken were held over the heads of contractors, the success of whose operations were, consequently, in a degree jeopardised.

In answer to Baron L. Rothschild, the Chancellor of the Exchequer said that during the progress of the payments on this loan no further sales of stock on the part of the Government will take place, unless necessary to supply the requirements of savings bank depositors. The question was repeated in several forms, and the reply was still distinct, that all sales will be suspended. The Chancellor, however, stated that it is the intention of the Government to apply to Parliament for power to issue a further quantity of Exchequer-bills, although it is not intended to exercise that power while the instalments of the present loan are in course of payment. This amount of Exchequer-bills, which will not exceed £3,000,000, is to be applied in aid of a vote of credit in connection with the army and the navy.

Further questions were then put by Mr. Thornton, Mr. Hutchinson, Mr. Lawrence, and others. With regard to the first—whether the Bank of England would make advances upon the *Omnium* (or combined stocks) during the progress of the payments, as was the case in antecedent periods—the Chancellor said that the question was one solely to be dealt with by the Bank Court. With respect to the payment of the income tax, it was explained that it will be charged upon the first dividend due upon the stock, and also upon the terminable annuities. A full dividend will be paid, although the instalments only commence during the present month. The plans of the Government having been fully matured, the terms will be strictly adhered to.

A point mooted by Alderman Salomons occasioned some discussion. It was in relation to the mode which would be followed in determining the admissibility of tenders. The Chancellor of the Exchequer said the Government would, of course, give a preference to those which were for the entire amount; but it was not proposed to exclude those which were for only a portion. This announcement created dissatisfaction, and it was alleged to be the introduction of a new system, which through competition in minor channels would interfere with the lists about to be opened for the larger sum. The biddings, it was contended, should be strictly confined to the £16,000,000, if it were hoped to carry the operation out. After a short consultation between Lord Palmerston, the Chancellor of the Exchequer, and Mr. Wilson, it was stated that the Government consider it will be better to accept only such tenders as shall be for the entire amount.

Baron Rothschild then referred to the disadvantageous position in which the subscribers to the present loan may be placed if the Government should be compelled to make another appeal to the money market, before the whole of the instalments become due. Would it be possible, under such circumstances, to place them in a situation similar

to that of the subscribers under the new contract? For instance, if the present loan were taken at 91, and a new loan followed before the instalments were completed, the fresh contract might be negotiated at 81, and thus a difference of 10 per cent. would be created, which would manifestly prejudice the interest of the present subscribers. The Chancellor of the Exchequer was understood to say there would be a desire to regard this point, if the contingency should arise, but that there was no apparent probability of such an event.

It was further stated that a new stock will not be created, but that the amount will be incorporated with the existing 3 per Cent. Consolidated Annuities. The amount of £16,000,000 has been calculated on the basis of the estimates voted, founded on the assumption that the war will continue during the present year. Mr. Trotter considered it essential to inquire whether it is contemplated to increase Consols by funding of Exchequer-bills.

In reply, the Chancellor of the Exchequer said, "There is no intention on the part of Government to engage in such an operation." With respect to future transactions, he added he thought it right to mention that it is not impossible foreign powers, in alliance with the Government, may negotiate loans in England, guaranteed or unguaranteed, as the case may be. Baron Goldsmid remarked, "You reserve, then, to yourselves, the power of guarantee, if necessary." The Chancellor of the Exchequer said the power of guarantee was reserved. Already it had been exercised in one instance, and might be applied for in others.

After a further short conversation,

The Chancellor of the Exchequer announced that the tenders would be opened at the Treasury on Friday, the 20th April, and that it was understood no bidding for less than the entire amount would be received.

The meeting appointed at the Treasury on the 20th of April, to submit tenders for the Government loan of £16,000,000, was fully attended, and shortly after ten o'clock the proceedings were commenced. Lord Palmerston and the Chancellor of the Exchequer represented the Government; the other parties officially present were, Mr. Wilson, M.P., Sir C. Trevelyan, and the Governor and Deputy-Governor of the Bank of England. Among those connected with the moneyed interest were—Barons J. L. and M. Rothschild, Sir A. Rothschild, Baron Goldsmid, and Messrs. J. Capel. T. A. Hankey, Norbury, Stern, Laurence, B. B. Williams, Cazenove, L. Cohen, &c.

The Chancellor of the Exchequer having placed in the hands of the Governor of the Bank a sealed paper, containing the *minimum* terms of the Government for the proposed annuity, stated, in answer to questions from Mr. Capel, that no delay will take place in the issue of the scrip, and that the annuity, with respect to transfer, shall be on the same footing as Consols. The scrip receipts will be issued on the resolutions passing the House of Commons, but the stock will not be transferable until the act shall have received the Royal assent.

Upon a request that the tenders should be presented, it was announced

that only one would be brought forward. This was by Messrs. Rothschild, and ran as follows:—

“TO THE RIGHT HON. THE CHANCELLOR OF THE EXCHEQUER.

“SIR,—In conformity with the public notice issued by the Treasury, we have the honour of submitting the following offer for the loan of sixteen millions. We agree to take the whole of the sixteen millions Three per Cent. Consolidated Annuities, with dividend from the 5th of January last, at par, payable in instalments at the periods stated in the said notice, upon receiving for each £100 an annuity of fourteen shillings and sixpence—say 14s. 6d.—terminable in 30 years, to commence from the 5th instant, payable half-yearly, and we are accordingly ready to pay the required deposit upon the same.

We are, sir, your obedient servants,  
N. M. ROTHSCHILD AND SONS.”

*London, April 20.*

At the conclusion, the Chancellor of the Exchequer said the Government were prepared to accept that offer, consequently there would be no occasion to open the sealed paper containing the Government *minimum*. Mr. Capel attempted to revive the question of the non-allowance of discount on payments in anticipation, but Lord Palmerston again stated that the instalments have been so arranged as to prevent any necessity for such payments. Mr. Capel, however, added, that if the Government shall require money, it will only be requisite to give the ordinary notice, and it will readily be forthcoming. Baron L. Rothschild, as representing Messrs. Rothschild, having attached his signature to the usual contract, the proceedings terminated.

The letters of allotment were promptly delivered on the 20th of April, and the Omnium was immediately negotiated at a premium, and, although a general curtailment was necessary of the amounts applied for, it was impartially made. The applications were supposed to have been fully 10 per cent. in excess of the total required.

The manner in which the market premium for the new loan is calculated is as follows:—The value of £100 Consols is £89 15s., and of 14s. 6d., terminable annuities for 30 years, £11 12s. This makes £101 7s., or almost exactly 1½ premium. Its actual value, however, is rather more, since this calculation assumes the entire subscription of £100 to be paid at once, whereas the instalments extend over eight months, and the employment in the interval of the money not called up would yield, even at the low rate of 2 per cent. now obtainable in the Stock-Exchange, about 12s. The value of the terminable annuity, moreover, has been taken as low as £16 per £1, while the first quotation was 16 to 16½, a purchase having been made at the latter price. Under these circumstances, the intrinsic worth of the Omnium would appear to be 2 pm., but of course it will be influenced by the character of the political news from the Crimea and Vienna.

Another calculation of the value of the stock and annuity has been published by Mr. T. Fenn, which is as follows:—

The value of £1 annuity, payable half-yearly for thirty years, at 4 per cent. compound interest, is 17·38.

The annuity at this price pays 5·753 per cent. during the thirty years, consequently the income tax is charged on 5·753 instead of £4, which is the



**£100 0 0**

\* £1.753 improved half-yearly at 4 per cent. compound interest will, at the end of thirty years, amount to £100.

## REDUCTION IN THE BANK'S RATE OF DISCOUNT.

THE Directors of the Bank of England announced a reduction in the rate of discount from 5 to  $4\frac{1}{2}$  per cent. on the 5th of April. The increased abundance of money, with the favourable position of the foreign exchanges, had, for the previous fortnight, induced an impression that an alteration would shortly take place; but it seemed to be anticipated, in some quarters, that, unless the Government contemplated a loan, it might be deferred till the Budget had been presented. The continuous influx of the precious metals, the satisfactory situation of the Bank accounts, and the moderate limits within which trade is now confined, are circumstances which have warranted the Court in adopting the measure; but it is scarcely to be expected that, even at the existing quotation, they will be enabled to compete in business with the Lombard-street houses, whose rate is still much below that of the national establishment. The inference drawn from the reduction has been, that the Directors have, in addition to the protection of the interests of their proprietors, been desirous of assisting the financial operations of the Chancellor of the Exchequer; and in this they have doubtless, in a measure, proved successful. Although money, after the payment of the first instalment on the loan, continues abundant, it would probably be hazardous to predict, at present, a further favourable alteration.

The City writer of the *Times*, referring to the alteration, remarks:—"The Bank of England to-day have reduced their rate of discount from 5 per cent., at which it had stood since the 3rd of August last, to  $4\frac{1}{2}$  per cent. The measure was fully anticipated, and its effect on the stock-market has been very slight. Some persons had fancied that during the existence of war, and with the immediate prospect of a loan, no reduction would be made, whatever might be the influx of money; but these were a small minority, and the general public felt reliance that the sound system of letting the rate be guided by the demand, instead of endeavouring to adapt it to theoretical contingencies, would still be followed. According to the *Gazette* returns last published, the simultaneous influence of the favourable state of the foreign exchanges during the past month or two, and of the rapid contraction of business, has caused the unemployed notes of the Bank to reach a higher point than at any period since July, 1853, when the rate of discount was as low as  $3\frac{1}{2}$  per cent., and Consols were nearly at par. The stock of bullion now held is also greater than at any time during the past year, and there is every prospect of its increase. If, under these circumstances, the Bank had delayed their present step, their proprietors must have looked next half-year for a diminished dividend, and the public would have had to complain of an artificial cause of pressure being kept up at a time when, owing to the natural tendency of events to produce excessive caution, the exercise of every legitimate method of inspiring confidence is most desirable."

On the same topic, the *Daily News* observes:—"The directors of the Bank of England, at their weekly board meeting to-day, reduced their minimum rate of discount from 5 to  $4\frac{1}{2}$  per cent. Although the immediate effect of this announcement was a sensible increase of firmness

throughout the Stock Exchange, the actual effect upon prices was unimportant. The English funds, after a temporary rise of  $\frac{1}{4}$  per cent., fell back, and closed the same as yesterday. The effect of the measure upon the Consol market had been already to some extent 'discounted,' and it must be recollected that the price of Consols is now comparatively high, considering the war, and the anticipation that our Government will require a loan. A hope may be entertained, however, that the great trading interests of the country will experience decided benefit from the late reduction in the value of money, and that business will begin to recover from its present dulness. Even now, the rates out of doors are below those of the Bank of England. In Lombard-street to-day, first-class bills were discounted at 4 per cent., and the money dealers reduced the rate allowed by them for money on call to  $3\frac{1}{2}$  per cent. As regards the security markets, it may be expected that railway debentures, guaranteed railway shares, and other kindred stocks, will meet with more favour."

The writer in the *Morning Post* thus cursorily alludes to the question:—"At their weekly board meeting to-day, the Bank Directors came to the determination of reducing their minimum rate of interest from 5 per cent. to  $4\frac{1}{2}$  per cent. per annum—a measure which has been sometime expected, as the charge for the discount of commercial paper in the open market has been below that of the Bank. It is not likely that the business of the institution will be greatly promoted by this reduction for the present, because money is abundant; but it will, no doubt, prove a convenience to Government, and it may be, that it is partly on this account the alteration was made."

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#### CALIFORNIAN BANKING PANIC.

The advices from California have afforded full details of the extensive banking panic which has recently taken place at San Francisco. Highly coloured as these may, in some respects, appear, it has been considered essential to condense the principal events in connection therewith, and to present them in a kind of continuous narrative for future reference. The failure of such extensive establishments as those of Messrs. Page, Bacon, and Co., Messrs. Wells, Fargo, and Co., and Messrs. Adams and Co., could not but be attended with the most disastrous results, though the course of trading latterly pursued was of itself of a character to jeopardise the permanent prosperity of the country. Minor establishments have likewise been brought to the ground, through the general revulsion; but the effect, it is alleged, will be only temporary, the American go a-head principle recognising no permanent depression. Messrs. Wells, Fargo, and Co., have resumed payment, and Messrs. Page, Bacon, and Co., it was said, would be able to make similar arrangements; but fresh difficulties with the firm at St. Louis, it is now expected, will prevent that desirable end being attained. The affairs of Messrs. Adams and Co. have become so involved, that an appeal to the Insolvent Court has been made, to carry out a liquidation.

*(From the Alta Californian, Feb. 26.)*

The steamer which leaves this morning for San Juan, will carry away the most disastrous news that has been borne from our shores for a long, long time—not of property lost, ruined, or despoiled, but of a great and overwhelming financial crash. This event has long been foreseen by observing men. It had been evident to them that the high rents and high rates of interest to which the people of California have long submitted, must, sooner or later, end in a general smash. The event had been precipitated by the news from the East; for, had no news yet arrived here of the failure of Page and Bacon, of St. Louis, the business in this city had experienced no material change up to this time. The people of California stand in a business relation to those of the Atlantic States, similar to that which is held by the latter towards the English and French. The people there account for their depression and distress, by saying that they have overtraded; that they have bought more articles of foreign manufacture than they could pay for; and the consequence has been that they have gone on, getting deeper and deeper in debt, till the credit has snapped, and general bankruptcy has ensued. The people of California have pursued the same course toward the Atlantic States, that the latter have toward England and France. They have sent away every dollar of gold they could raise, to pay for manufactures and provisions produced in other countries. They have paid for what they could, and when cargo after cargo of merchandise has arrived here—of which there was no possible need for twelve months—they have been bought up on credit, and held by men who hired money at 3 per cent. per month to do business on. They bought them in hopes of better times, but the better times never came. They grew worse and worse, and men were straining every nerve to keep along, when the news of the failure of Page and Bacon arrived. Had this news arrived at an earlier period, it would not have affected the house of Page, Bacon, and Co., of San Francisco. But this house had exerted itself of late to sustain the falling fortunes of the parent house at the East, and the news coming at this time, found it ill prepared to stand a run. Page, Bacon, and Co., of this city, have always been entirely solvent, and we believe they are so at this day; but they cannot, after their efforts to sustain Page and Bacon, pay off all their creditors in a day. It is impossible for them, at the present crisis, to collect in all or half that is due to them, and which they may shortly collect; and hence it was necessary for them to suspend operations, and provide some way of mutual accommodation. The report of the meeting of the creditors of this firm, which was held yesterday, will be found in another column. It will be seen from that, that an excellent spirit of accommodation prevailed, and that their creditors have pledged themselves to mutual forbearance to that extent which will enable the house to open again, it is said, by Wednesday next. In regard to the other houses that have suspended, we have no opinion to express. To the rumours about them, which we hear upon the streets, we attach no credence, and indeed we attach little credence to anything we hear in relation to any of them. There has been so much deliberate, and, as we believe, wilful deception practised on the public, and on the newspapers, in regard to all of the late financial difficulties, that we can state nothing in regard to them on our own authority. It is said by the attorney of Wells, Fargo, and Co., that they will resume business again in a few days. We hope they will. The other houses that have suspended make fair promises. We have only to say we hope they will be fulfilled. The news taken out by this steamer ought to teach the shippers of the East, that there is a limit to the capacity of Californians, and that, though we can consume much and pay for much, yet we cannot sustain the

whole United States in their extravagance for all time, unless they buy less and produce more.

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THE PANIC YESTERDAY.

(From the *San Francisco Herald*, Feb. 24.)

The excitement created in this city yesterday, by the announcement that some of the principal banks had suspended payment, exceeds anything of the kind ever before witnessed. The announcement that the St. Louis branch of the house of Page, Bacon, and Co. had suspended was as unexpected as it was sudden, and had the effect of creating a general mistrust in our banking-houses. The general rush on that house was succeeded by a quiet run on the following days, which eventually compelled it to close.

As soon as the fact became known, a quiet run was made on Adams and Co., on Thursday, during which \$200,000 were drawn from the vaults, while the deposits amounted to only \$10,000. Apprehending a continuance of the panic, and entertaining doubts as to their ability to breast the storm, the doors of the banking-house were closed yesterday; and the following announcement, posted in a conspicuous place, checked the haste of those who had hurried from all parts of the city, in order that they might be the first to draw their deposits when the bank was opened:—

“Banking-House of Adams and Co.,

San Francisco, Feb. 23, 1855.

“To the Public.—In consequence of circumstances entirely beyond our control, we are compelled to go into liquidation, for the equal protection of all our depositors. A statement will be made public as soon as possible.”

Having resolved on this course, Mr. A. A. Cohen was appointed receiver, and gave bonds for the faithful discharge of the trust reposed in him, in the sum of \$1,000,000. His sureties were Edward C. Jones, J. C. Palmer, O. Cook, and C. C. Bowman. Later in the day, judgments were confessed in the Fourth District Court by Adams and Co., in favour of the following named persons, for the following sums:—

Felix Tracy, Jun., v. Adams and Co	...	...	...	\$2,500
John Colgrove v. same	...	...	...	8,000
A. G. Richardson v. same	...	...	...	12,000
H. D. Beach v. same	...	...	...	8,000
H. Reed v. same	...	...	...	8,000
Wm. H. Hull v. same	...	...	...	12,000
E. G. Noyes v. same	...	...	...	10,000
S. C. Gardner v. same	...	...	...	5,000

Total amount of judgments confessed ... .. \$65,500

Attachments were issued out of the Twelfth District Court yesterday, at the suit of the following named persons, and for the following sums:—

George R. Rossiter v. Adams and Co.	...	...	...	\$5,432
Charles Gallagher v. same	...	...	...	6,057
J. B. Fairchild v. same	...	...	...	2,362

Total amount of attachments thus far ... .. \$13,851

Crowds of depositors hung around the banking-house all day, with the hope of learning something in regard to the condition of the establishment, but nothing definite could be ascertained. In the afternoon, the following card was published:—

"Banking-House of Adams and Co.,

San Francisco, Feb. 23, 1855.

"The undersigned, resident partner of Adams and Co., of California, in view of the suspension of payment this day, deems it his duty to present to their creditors, friends, and the public at large, a brief statement of the causes that have led to the calamity. The event of to-day is equally at variance with their feelings and pecuniary interests, but was acceded by a sense of duty to their depositors, paramount to all other considerations. The like misfortune that has overtaken one of the most prominent banks in the state, had so far destroyed confidence as to have occasioned a "run" on yesterday, which drew from our vaults over \$200,000, while the deposits did not reach \$10,000—and this on a holiday, when business was apparently forgotten in the festivities of the occasion. Our ability to sustain a continued run was by no means an impossibility, but, with the experience of the past week before us, so long as room for a doubt remained, it became clearly our duty to treat all alike, and not to repay the forbearance of friends and creditors throughout the mines, by exhausting our available means for the exclusive benefit of more urgent claims. Besides, in the regular course of our business, our coin had been exchanged for dust, in anticipation of shipment by to-morrow's steamer. It is well known that the demand for gold for shipment has, for many months, far exceeded the supply of dust from the mines; to meet this deficiency, coin has been withdrawn from the circulation of the country at about the rate of one million dollars per month—leaving merely sufficient for the most ordinary wants of business, and producing an unparalleled and increasing pressure. These facts, together with the extreme panic produced by Page, Bacon, and Co.'s suspension, compel us, for the protection of all, to close our doors. It is our intention, immediately, to submit our affairs to a committee of known and trustworthy citizens, whose report, we are confident, will demonstrate the propriety of our course, and the ability of Adams and Co. to discharge their obligations. Meanwhile, we ask of our friends to continue the confidence we have so long enjoyed, assuring the public that we shall employ the same honesty of purpose and energy in action, in relieving all who may sustain embarrassment by our suspension, that we have ever exhibited in our transactions in California.

I. C. WOODS."

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PAGE, BACON, AND CO.

We received, last night, the following card from Page, Bacon, and Co., which we publish with pleasure:—

"San Francisco, Friday, Feb. 23, 1855.

"We had hoped to be able, this morning, to make such a statement to the public as would be entirely satisfactory, but the great derangement of our business prevents it. We will make it at the earliest possible moment. In relation to the report that our vault at Jamestown was broken open, we beg leave to say that we have never had any office or vault at that place.

PAGE, BACON AND CO."

Some attachments were also placed on this establishment yesterday. The books are locked up in the vault, the key of which is in the possession of the receiver, Mr. Wells; and, as the sheriff was present, it would not be prudent to open it till the attachments, which only amount to a few thousand dollars, are paid off. The attachments were issued out of the Twelfth District Court, and were for the following amounts:—

N. Holland v. D. Chambers <i>et al.</i>	...	...	...	\$3,784 00
James Grant v. D. D. Page <i>et al.</i>	...	...	...	3,850 65
O. Hofflin v. same	...	...	...	3,882 46
T. J. L. Smiley v. same	...	...	...	6,807 67

Total amount of attachments	...	...	<u>\$18,324 78</u>
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WELLS, FARGO, AND CO.

On the doors of the banking-house of Wells, Fargo, and Co., appeared, yesterday morning, the following card:—

“Banking-House of Wells, Fargo, and Co.,  
“San Francisco, Feb. 23, 1855.

“TO OUR DEPOSITORS:—We have deemed it prudent, for the protection of your interests, as well as our own, to close our doors to-day. We shall make such a statement of our affairs, and abundant ability to pay, as we trust will satisfy all.

WELLS, FARGO, AND CO.”

Notwithstanding that the doors of this establishment were closed, and the ominous word “Suspended” stared the crowd who first in the morning rushed there to have their certificates cashed, the ability of the establishment to meet all the demands upon it, dollar for dollar, was never throughout the day for a moment doubted. From the inquiries we have made, we feel satisfied of the entire solvency of the house, and there would have been no necessity at all, even for a temporary suspension, if coin could be procured for the bars stowed away in its vaults. The depositors could not be paid in bars, for they could not be cut up to meet the wants of all. Wells, Fargo, and Co. will open again, probably on Monday, when a statement of the condition of the establishment will be submitted to the public, which we are assured will be entirely satisfactory.

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THE MINERS' EXCHANGE BANK.

This bank was opened yesterday as usual, but finding themselves unable to weather the storm, in consequence of the difficulty of raising coin, they were obliged, in a short time, to suspend. Depositors in this bank receive a small amount of interest for the use of the money; and, before money can be withdrawn, it is necessary that the proprietors should receive due notice. Before payments were suspended, the depositors were assured that the real estate and gold-dust held by the bank would be sufficient to meet demands; and all that was required was time to turn the assets into coin.

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ROBINSON AND CO.'S SAVINGS BANK.

This institution suspended at an early hour yesterday, and that event caused great consternation among those who had deposited their funds there. The doors were beset all day with an anxious crowd, awaiting for something to turn up, by which they might arrive at a full knowledge of their actual condition and prospects; but the doors remained obstinately shut, and nothing could be ascertained. The depositors belong principally to the poorer classes of citizens, who had saved up their little earnings, and deposited them there for safe keeping.

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LUCAS, TURNER, AND CO.

A tremendous rush was made on this establishment yesterday, but the

doors were thrown open, and every certificate that was presented was promptly cashed. About one o'clock the excitement here began to die out, and, before the time for closing the bank arrived, not a single depositor could be seen. This establishment has ridden safely through the storm.

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**B. DAVIDSON AND CO.**

From an early hour, the doors of this establishment were beset with crowds of depositors, but, as in the above case, dollar for dollar was paid out, and before the hour for closing, confidence was entirely restored. The excitement was caused entirely by the small depositors. The business transacted by this house is principally of a foreign character.

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**DREXEL, SATHER, AND CHURCH.**

A run was also made on this establishment, but the utmost order was maintained, and everybody who had claims on the establishment was satisfied.

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**PALMER, COOK, AND CO.**

This was the only prominent banking-house in the city which the tremendous storm of yesterday did not at all affect. While crowds beset the doors of all the other banking-houses, everything was quiet here, and the ordinary business of the counting-room was transacted in the usual way.

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**TALLANT AND WILDE.**

There was no run on this banking-house yesterday. In the early part of the day, a few depositors presented their certificates, but all demands were promptly met, and everything went on as usual.

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**MEETING OF THE CREDITORS OF PAGE, BACON, AND CO.**

*(From the Alta Californian, Feb. 26.)*

The creditors of Messrs. Page, Bacon, and Co., assembled at the New banking-house, corner of Clay and Battery-streets, yesterday, at two o'clock p.m. Col. J. B. Crockett stated the object of the meeting, which was to make, if possible, some arrangement between Messrs. Page, Bacon, and Co. and the creditors of that house, by which they could resume business. The necessity of holding a meeting of this kind on the Sabbath-day would be manifest to every one, when it was remembered that the steamer sailed on Monday morning, and that it was highly important that the information, if such an arrangement was made, should be forwarded to the east at the earliest possible moment. Col. Crockett desired to make an explanation touching the condition of Messrs. Page, Bacon, and Co., and the means that they possessed for satisfying their liabilities. He believed that Page, Bacon, and Co. were abundantly able to pay every dollar of their indebtedness, and that, with a little indulgence on the part of their creditors, they could immediately resume business. If Page, Bacon, and Co. were forced into liquidation, many months must elapse before the assets could be made available to the payment of the creditors. Page, Bacon, and Co. would interpose no obstacles to liquidation by legal process; but they would pledge every cent., not only of the assets of the house, but the private property of each individual member, toward the satisfaction of the indebtedness of the firm. Col. Crockett then proceeded to read a statement of the affairs of Messrs. Page, Bacon, and Co., which was as follows:—



*The Californian Banking Panic.**Statement of the Affairs of Page, Bacon, and Co., Feb. 22, 1855.*

## ASSETS.

Cash ... ..	\$85,000
Cash items ... ..	142,700
Bills receivable ... ..	545,000
At New York, in hands of D. Hoadley ... ..	860,000
At Boston ... ..	3,000
At Louisville ... ..	1,955
At Honolulu ... ..	47,163
With J. W. Clark and Co., Boston ... ..	7,000
Page and Bacon, St. Louis ... ..	440,000
Real estate ... ..	40,000
<b>Total assets ... ..</b>	<b>\$2,171,818</b>

## LIABILITIES.

Due depositors ... ..	872,000
Due New Orleans... ..	7,950
Due London ... ..	59,000
Due Sacramento office ... ..	334,000
Due Sonora office... ..	30,000
<b>Total liabilities ... ..</b>	<b>1,302,950</b>
<b>Balance after liquidation ... ..</b>	<b>868,868</b>
	<b>\$2,171,818</b>

"The cash items are made up of notes in suit, past due, &c., and we believe \$50,000 of them to be available and good. We also believe our bills receivable to be mostly good; we think \$50,000 to be ample margin to cover all losses that may occur by them. As we have not had entire control of our books and cash account since they went into the hands of the receiver, we have not been able to make it entirely accurate, but we believe it, in the main, correct. The net profits of the house on the 15th inst., as appeared by our books, were \$962,000. In our statement, as made, we show the exact balance due by us to depositors; but it is proper to remark that our deposit account is actually about \$200,000 more than is there shown, as the over-drafts on us, on steamer-day, and prior, amounted to about that, which have always heretofore been made up prior to the sailing of the succeeding steamer, but which, during the excitement of the past four days, we were unable to collect in, but which are believed to be available at once. We know the balance due us by the St. Louis house to be good; but will, for the present purpose, deduct it from our available assets, still leaving a large margin in our favour. The balance due by us to our Sonora and Sacramento offices, together with what assets they have on hand, will retire all their liabilities of every description. In addition to the assets of the firm, every dollar of the private property of each member in the state shall be applied towards liquidating the liabilities of the house."

A statement of the real estate of Daniel D. Page, of St. Louis, was then submitted by Mr. F. W. Page (son of Mr. D. D. Page), who had its more immediate management.

*Statement of D. D. Page's Real Estate at St. Louis and Vicinity.*

Improved real estate in the city, and now under rent	...	...	\$800,000
Twenty acres in Morton's addition	...	...	200,000
Three acres in Morton's addition	...	...	30,000
Property near Big Mound	...	...	50,000

*In St. Louis County.*

400 acres (Martin Coontz's tract) adjoining the city	...	...	800,000
80 acres in the town of Carondelet	...	...	8,000

*In St. Clair County, opposite St. Louis.*

1,200 acres known as Monk's Mound tract	...	...	120,000
400 acres (known as the Cole tract) in Illinoistown	...	...	40,000

Total ... .. \$1,848,000

"The annual revenue from the reale state in 1849 was at least \$50,000, which has since then greatly increased, but to what amount precisely I am unable to state, but probably about \$25,000. All the above property is entirely free from incumbrance.

*San Francisco, Feb. 25, 1855.*

FRANCIS W. PAGE."

Col. Crockett went on to say that, in his judgment, this estimate was far below the true value. He had resided in St. Louis for a number of years previous to coming to California, and he was as well acquainted with the property mentioned in the schedule as he was with the property in Montgomery-street. The rents of the improved property were \$50,000 in 1849, but have undoubtedly increased to \$75,000 at this time.

Mr. Garrison stated that, last year, he sold land adjoining the 400 acres, valued at \$2,000 per acre, at \$3,000 per acre; and another gentleman intimated that it was worth \$4,000 per acre.

The following letter was read, in reply to the query why so large a sum as \$850,000 was allowed to remain in New York:—

"J. B. Crockett, Esq.—Dear Sir—In answer to your inquiry, why we kept so large a balance in New York, we would inform you that it has been our policy, for some time past, to keep in New York the amount of one shipment ahead of all our drafts, as, in case of the loss of a vessel, we did not want our drafts returned; neither would it answer to keep our customers out of their money while the insurance was being collected. What has run up the account, however, at present larger than usual, is the fact that we have been, for some time past, taking large amounts of Government drafts, while, at the same time, we were unwilling to allow our specie shipments to run too low. Our credit was such here, that we always deemed 800,000 in coin sufficient to be kept here—always feeling that, if our drafts were protected at sight, we had nothing to fear here.

Yours, truly,

PAGE, BACON, AND Co."

Capt. Ritchie stated that he had made inquiry into this matter, and had ascertained in New York, that it was the custom of Messrs. Page, Bacon, and Co., to keep from \$500,000 to \$800,000 ahead of their drafts in that city; so that, if a steamer containing their treasure is lost, there will be no delay in the payment of their bills of exchange.

Loud calls were made for Mr. Daniel D. Page, and that gentleman came forward and made some remarks of a general character, which were well received by the meeting. He also pledged himself, if the required indulgence was granted, to pay his creditors to the uttermost farthing.

Col. Crockett alluded to the liberal nature of their policies of insurance. They are insured in London, and, in the event of a steamer going down,

they are authorised to draw immediately for four-fifths of the amount of their treasure on board.

Some one in the meeting inquired if the bills receivable were secured. The reply was, that a large portion was secured—most of them by bond and mortgage.

Mr. Dempster, of the house of D. L. Ross and Co., stated that a letter from Mr. Ross, written at half-past two o'clock on the forenoon of the sailing of the steamer from New York, Jan. 27, justified the belief that such arrangements had been made as would permit Page and Bacon to resume in the course of two or three weeks from that date.

Col. Crockett then submitted a proposition to the creditors, to this effect:—Page, Bacon, and Co. will issue certificates to their depositors, bearing interest at one per cent. per month, and payable in instalments at the end of two, four, six, and eight months. If creditors to the amount of \$400,000 will sign an agreement to receive these certificates, the house would be able to manage the balance of their indebtedness, and could resume their business in the course of two or three days.

Pending the discussion of this proposition, Mr. David Jobson offered whatever property he possessed—to the amount of \$20,000—as a guarantee for the payment of the certificates. This was received with considerable applause, and a bond was drawn up, signed by the following names, and pledging the sums affixed for the prompt payment of the certificates which should be issued by Messrs. Page, Bacon, and Co:—

John Parrott ... ..	\$50,000	Francis Pixley ... ..	\$25,000
S. P. Dewey ... ..	50,000	F. and H. H. Haight ...	25,000
Theodore Payne ... ..	50,000	Wm. Arrington ... ..	20,000
H. M. Naglee ... ..	50,000	Wm. Sharron ... ..	30,000
A. A. Ritchie ... ..	50,000	T. J. L. Smiley ... ..	20,000
Eugene Kelley and Co. ...	50,000	Haight and Wadsworth ...	20,000
Michael Reese ... ..	40,000	Sweetser, Hutchings, and	
C. K. Garrison ... ..	50,000	Co. ... ..	20,000
J. B. Wells ... ..	30,000	Arrington and Co. ... ..	20,000
John Perry, Jun. ... ..	25,000	Beck and Elam ... ..	20,000
J. and M. Phelan ... ..	25,000	Fed. Mason, Jun. ... ..	15,000
B. Holladay ... ..	25,000	N. Simon ... ..	10,000
Hussey, Bond, and Hale ...	25,000	B. B. Buckelew ... ..	10,000
Woodworth and Co. ... ..	25,000	W. H. Dow ... ..	10,000
Wm. T. Coleman and Co. ...	25,000	Geo. H. Hossefross ... ..	15,000
Lowe, Ebbetts, and Co. ...	25,000	Sullivan and Cushman ...	15,000
E. L. Goldstein ... ..	25,000	Holtham and Dale ... ..	10,000
James Story ... ..	20,000	R. McKee ... ..	10,000
Selover and Sinton ... ..	20,000	H. M. Whitmore ... ..	20,000
David Jobson ... ..	20,000	Wm. H. Gladwin ... ..	20,000
H. B. Muete ... ..	20,000	Fernandez and Peyton ...	20,000

Judge Chambers stated that he had drawn nothing from the concern, nor should he, until every creditor was satisfied.

The signing of agreements by creditors, to receive certificates for their indebtedness, was then commenced. The agreement is not to be binding until representatives of at least \$400,000 have affixed their names to the document.

#### ADAMS AND CO., SAN FRANCISCO, TO THEIR CREDITORS.

"Comments which have been made on the closing of our house seem to require that, before presenting to our creditors the proposition which is below, I should acquaint the public, as our friends are already acquainted, with the facts which demonstrate that the real causes of our suspension were not of our own making. The stoppage of a well-known and popular

house is misfortune and humiliation enough, without having to bear responsibility for the faults of others. Had our purposes and efforts been seconded as they should have been, in quarters where we had a right to expect it, the calamity which has just overtaken the community would never have happened. Such are the relations of banking-houses to each other, and such the nature of public confidence in banks, that, without some sort of mutual good faith and co-operation, and at least a general idea of each other's resources and position, no system of banks conducted upon any large and liberal principles can withstand a general crisis, but must fall together, in common confusion and disaster, such as we have just witnessed. The first banking-house in the country cannot always foresee a run. Its own position and ability to go through a crisis, it can ascertain, and ought not to withhold from those who have an interest and a right to know. For months, a leading banking-house in the city has been quietly strengthening itself, and sustaining its parent house elsewhere at the expense of every other banking-house here, and especially of ours. The house of Adams and Co. hold to-day thousands of dollars, in bills receivable from our merchants for indispensable accommodations, wherewith to meet their loans suddenly called in, and for which the hard cash has left our vaults. Could we have known, upon the arrival of the Nicaragua steamer, February 4th, of the protest of the paper of Page and Bacon, of St. Louis, in Wall-street, January 12th, the day of the departure of the Nicaragua steamer on the other side, or that there was reason to apprehend such a mishap, the other banking-houses, and Adams and Co. among them, could have prepared themselves for the worst. Even after the run on Page, Bacon, and Co., of this city, Saturday, February 17, had it been possible, by any amount of diligence, to ascertain the true position of that house, Adams and Co. could even then have prepared for the worst. Unfortunately, it was not possible. Either from ignorance of its own condition, or for some other reason best understood by itself, that house not only filled the public and its friends with unfounded ideas of its strength and resources, but imposed upon the anxious scrutiny even of the other banking-houses. To repeated inquiries, to entreaties the most urgent, our house received always the assurance, of the perfect ability of Page, Bacon, and Co. to meet any run. Therefore it was that we did not concentrate our resources here from all parts of the state, as we would have done had the truth been revealed, or even hinted to us. On the contrary, we sent away our best resources, having forwarded into the interior, on Monday, Tuesday, and Wednesday of last week, more than \$150,000 in coin, for the purchase of gold-dust alone, for the weekly shipment, while we allowed another large amount of coin to be invested in bullion on the way for the same shipment. More than this, we freely expended the coin, which was our life-blood, in our efforts to sustain that house, in redeeming their certificates throughout the state, and in every other way. Such was our condition when, on Wednesday night, at a late hour, our house was astounded by the news that Page, Bacon, and Co. were unable to go on, and would not again open their doors. It was an event which not only falsified the repeated and solemn assurances given by that house, but which found us destitute of the preparations which, but for those assurances, we should most certainly have made. It was an event, too, which was aggravated in the highest degree by the tone and temper of the extraordinary circular which announced it to the public. Feb. 22 was a day of general celebration; and I hoped, with the large amount of gold-dust in our vaults, we could meet the crisis then evidently impending. But, between one and four p.m. of that day, I found a run had quietly set in, which took from us, in about two hours, over \$200,000 in coin, and we saw that, unless our supply of coin could be replenished, we must, to protect the rights of all our creditors, in the city and throughout

the mines, close our doors. Immediately, and all that night, we made every effort which men could, everywhere in town, to procure coin. Gold-dust we had. I had my own private property and the property of our friends, which, with unparalleled generosity, they had placed at our disposal. We offered a million and a-quarter of dollars, in the best securities in the world, to raise one-fifth of the sum in coin. Every effort and every sacrifice were in vain—it could not be done. The rest is known. These are facts which it is painful for me to present to the public. Hitherto, I have withheld them out of regard to the feelings of others, for whom I had always entertained high consideration. But the evident disposition, in a few quarters, to misrepresent or misunderstand the merits of the case, has forced me to a disclosure which I could not longer have withheld without prejudice to our house. These being the facts of our suspension, I desire to make the creditors of the house throughout the state the following proposition—That, within thirty days from this date, the receiver shall pay them twenty-five per cent. in cash upon all our claims. That the creditors shall receive the balance of their claims from the receiver as fast as he can declare the dividends, and, for this purpose, he shall be allowed to administer the assets, notes, real estate, &c., of the house, and realise them as promptly as possible, without hindrance, and to the best advantage for the creditors, and for the greater security of the creditors. That his present bonds, which are for \$1,000,000 shall be increased, if deemed necessary. That Adams and Co. shall be allowed to resume their business as heretofore, with such aid as they can obtain from their friends and customers; and, in this connection, I am deeply gratified to state that the whole body of our clerks—with a devotion to the house which they have done so much to build up, for which no words can thank them—have volunteered, each and all, their services for an entire year, without hire or reward, beyond a bare subsistence. As it is desirable that we should obtain, as promptly as possible, the sense of our creditors upon this proposition, which I am confident is for their best interests, and will secure the early payment of their claims in full, we earnestly request them to notify us, at our banking-house, in San Francisco, of their assent thereto. I need not say how acceptable that assent will be, nor that we shall endeavour to requite it with the same energy and fidelity of which we hope the public has had some proof, in its former dealings with our house.

I. C. Woods."

The latest accounts from San Francisco give the following further details of the banking panic in that city:—

WELLS, FARGO, AND CO.

Mr. Henry M. Naglee, receiver for Wells, Fargo, and Co., reported to the District Court, on the 27th, the following

*Statement of the Affairs of Wells, Fargo, and Co., San Francisco,  
February 27, 1855.*

ASSETS.				
Cash on hand ... ..	...	...	...	\$192,182 00
Bills receivable ... ..	...	...	...	30,000 00
Bills overdue ... ..	...	...	...	\$114,532 56
Express department ... ..	...	...	...	72,000 00
Bills receivable, and other assets at Sacramento ... ..	...	...	...	50,000 00
Real estate at Sacramento ... ..	...	...	...	33,000 00
Real estate at Stockton ... ..	...	...	...	21,000 00
War bonds ... ..	...	...	...	2,225 00
Total ... ..	...	...	...	<u>\$400,407 00</u>

LIABILITIES.

Due depositors, including certificates of deposit	...	\$121,000 00
Interior offices, ...	...	53,000 00
Balances due interior offices	...	18,000 00
To New York for drafts	...	102,934 00
Balance over and above liabilities	...	103,473 00
Total	...	<u>\$400,407 00</u>

This house resumed payment on the 27th, and met all demands with coin. A number of individuals replaced deposits which they had previously drawn out. Those branch offices which suspended on Friday, have since resumed, and the concern is now in full operation throughout the state.

ADAMS AND CO.

Adams and Co. are insolvent, and have applied for a discharge from their liabilities, on making an assignment of their property. From the papers filed in the Fourth District Court, together with the application of I. C. Woods for the benefit of the Insolvent Act, the following recapitulation of the affairs of the firm of Adams and Co. is made next:—

Recapitulation.

ASSETS.

Overdrawn accounts, negotiable notes and personal property	...	\$788,771 37
Stocks...	...	176,210 94
Gold coin, bars, &c., in S. F. office	...	334,846 11
Same in country offices, estimated at	...	300,000 00
Personal property of I. C. Woods	...	256,947 00
Total	...	<u>\$1,856,775 42</u>
From which is to be deducted, we presume, the \$103,572 93 overdrawn by I. C. Woods and James King	...	103,572 93
Total assets	...	<u>\$1,751,192 49</u>

LIABILITIES.

Total amount due creditors	...	\$973,738 25
Total amount due Adams and Co., New York	...	102,000 00
Amount due on open accounts and depositors up the country	...	500,000 00
Individual debts of I. C. Woods	...	64,550 00
Total liabilities	...	<u>\$1,640,288 25</u>

From these figures it appears that the total assets amount to \$1,751,192 49, and liabilities to \$1,640,288 25, leaving an excess of assets over deposits of \$110,904 24. It will thus be seen that the liabilities amount to nearly the same sum as the assets, but from the nature of the latter, it is more than probable that no more than 50 per cent. on the whole amount will be realised. It is also estimated that the real estate belonging to the firm is estimated far beyond its actual value.

Estimate made by the Receiver on the 27th inst.

Assets...	...	\$2,400,000
Liabilities	...	1,800,000
Excess of assets	...	<u>\$600,000</u>

Excess of assets as they appear by the statement filed in the Fourth District Court, \$110,904 24.

The receiver appointed by the creditors of Adams and Co., of San Francisco, has appointed T. Hawes and Co. to transact their express business, and the same will go on as usual, without interruption.

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PAGE, BACON, AND CO.

Messrs. Page, Bacon, and Co., propose, in their new arrangement for resuming their business, to issue certificates of deposit, bearing interest at 1 per cent. per month, which certificates are guaranteed by some of our first men to the amount of over a million of dollars. The bond guaranteeing the certificates has been duly executed and acknowledged, and as soon as the amount required by the firm is made up, which will doubtless be done shortly, the certificates will be issued, and the house again placed upon a good basis. "As these certificates bear interest, and are negotiable and amply secured, they must (remarks a Californian journal) become at once an excellent investment for parties who have been heretofore in the habit of depositing where no interest has been allowed. In the present state of our money market, we have no doubt these certificates will be at once taken up."

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ROBINSON AND CO.'S SAVINGS BANK.

(*From the San Francisco Herald, February 27.*)

Considerable excitement was created yesterday, by the circulation of a rumour that Mr. Robinson, one of the proprietors of the savings bank—and Dr. A. Wright, proprietor of the Miners' Exchange Bank, had been arrested on board the *Uncle Sam*, which sailed yesterday for San Juan, having in their possession a large amount of property in coin and securities. It was asserted that Robinson was arrested on board the *Uncle Sam*, and \$14,000 in specie, and \$100,000 in securities, were found in his possession; and also, that certain parties to whom he was indebted discovered a large amount of money (said to be \$80,000), which had been stowed away some where for safe keeping. The two following attachments were afterwards issued against the house of Robinson and Co. :—

James R. Lowrie v. Robinson and Co.	...	\$9,626
James R. Lowrie v. Robinson and Co.	...	2,450
Total	... ..	<u>\$12,075</u>

We learn that the sheriff succeeded in serving the attachment on a batch of state scrip.

(*From the San Francisco Herald, February 28.*)

After a deal of skirmishing on the part of creditors, the sheriff's officers, and constables, an entrance was effected yesterday morning into the banking-house of Robinson and Co., the iron doors of which have, ever since Friday morning, resisted all attempts to enter. There was a rush for the precedence, of course; but constable Silverthorn managed to make the first seizure, and attach the gold scales, office furniture, &c. There was a fierce trial of strength for a few moments, between the outs and the ins—the one to force an entrance, the other to bar the doors and exclude the crowd. The ins succeeded, and the search commenced. Upon opening the vault, nothing was discovered except a specie bag, which, on examination, was found to contain three pounds of—shot, and an indefinite quantity of needles, which severely pricked the party who seized it. A

meeting was held next day at the San Francisco Hall, when it was expected that a statement of the affairs of the institution would be submitted. Some two or three hundred persons were present at the appointed time, a large majority of whom appeared to belong to the labouring class. There were also several ladies present. After some little delay, Mr. Robinson made his appearance, and said that there was no one in the assembly who regretted as sincerely and deeply what had occurred as himself:—On last Friday morning—that unlucky day!—my assets showed a *bond fide* ability, a complete ability on my part, if I could control my own affairs, to pay a larger dividend than any banking-house that had the misfortune to fall, with the exception of Page, Bacon, and Co., and Wells, Fargo, and Co. It was my purpose and intention to have the control of my own affairs, so that I might manage them for your benefit, and yours exclusively. My first impulse was to put my affairs in the hands of an assignee for your benefit; but, on consultation with legal gentlemen, I found that that could not be done unless I made an application for the benefit of the Insolvent Act, and then the schedule of my assets and liabilities would go into the hands of an assignee, which might or might not be for the benefit of the depositors; and, as I understand it, the assignee would have them under his discretion, and could do whatever he pleased with the securities, and if the assignee was not appointed, the Court would, at its discretion, put the whole thing into the hands of the sheriff. I know the probabilities and what prospect there is of collecting them, and they could not be collected as well as in the hands of those to whom they belong. There have been rumours circulated, in regard to myself—there have been statements made in the public prints about me—undoubtedly, with the best motives—but they were only rumours, and had no foundation in fact. I want to state to you now that they are false, without exception. In the first place, there was a rumour that I was arrested on board the *Uncle Sam*, with \$14,000 in cash and \$100,000 in securities in my possession, and that \$60,000 were found somewhere else; but my presence here to-day proves that it was not so. In the first place, I have not money upon which I could lay my hands to pay the passage home of myself, wife, and child. I have no intention of running away. I came here, like you all, about four years ago, to seek my fortune, and started what I conceived to be a legitimate business, and by your confidence was enabled to go on; and, if this crash had not come, there is no one who believes that I could not fulfil my obligations to the letter. But you may say, perhaps, "All this is very well, but we want to know what you are going to do." There is one thing, however, about which I would first wish to make a remark. It was said that my securities had been attached in the hands of a third party. They were, gentlemen, and these securities are now beyond the power of the sheriff to take them, so that I may have the control of them myself. My assets have been attached; and I distinctly say, that if that had not been the case, within sixty days I would have been able to pay thirty-seven cents on the dollar. They are now out of my control. I hope to be able, in some way or other, to get the control of them within sixty days. I don't expect to go into the same kind of business again, but I am going to stay here, and if any opening should occur by which I can realise money, it is yours, every dollar of it. I am not going to take the benefit of the Insolvent Act. From the attachments on my securities and real estate, and so forth, it will be impossible for me just now to get the control of anything, and I must, therefore, take some time to recuperate. There are gentlemen here who know how money is invested, and no one can suppose that I would have loaned out money on securities that I did not think were good. The financial pressure has weakened all securities, and on these securities, by which before the panic I could have realised money,



in consequence of the excitement, I could not raise one dollar. My banking-house was kept open on the morning of the excitement for half an hour or an hour, and paid out to the last dollar, and till I had no more to pay.

A Depositor—We want to know how much you owe. What are your assets, and what has become of them?

Mr. Robinson—I will say that I did not come prepared to give a full statement of my liabilities and assets. My books have been taken out of my hands, and I, therefore, cannot do so now.

Mr. Hart, who appeared for a number of the depositors, here said:—Don't you think that it is due to the depositors to state, first, how much you owe; second, what is the amount of your securities; third, what is their nature, &c.?

Mr. J. Wistar, who appeared as the counsel of Mr. Robinson, said that he apprehended that Mr. Robinson only came there to contradict the rumours which had been circulated regarding him, and that, in the present state of things, it could not be expected that he could give a full, particular, and distinct account of his affairs.

Mr. Hart—He certainly must be able to state how much his liabilities and assets are, within a few thousand dollars, or thereabouts. His creditors have been called here, and they want to get some information. The depositors expect to know how much money he is able to pay, and to give the reason why he is not able to pay the whole. I don't believe that his business was so extensive that he cannot tell very nearly how much he has in coin—how much in real estate—how much in securities.

A Depositor—I would like to know how much money you received the day the bank closed?

Mr. Robinson—I cannot say.

Depositor—Were there \$3,000?

Mr. Robinson—There was not \$1,000.

Mr. Hart—I would like to ask a question; and that is, what has become of the books? He must know. And, also, is he willing to place the books in the hands of a committee of this meeting?

Mr. Robinson—I am perfectly willing.

After some further debate, the following committee was appointed by the depositors to examine the books:—Messrs. Hart, McCarty, Dorr, Parker, and Hawley. The books were then sent for, and handed over to the committee for examination.

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#### WRIGHT AND MINER'S EXCHANGE BANK.

Dr. A. S. Wright was arrested upon a warrant issued from the Fourth District Court, but was released from custody upon procuring sufficient bonds. A handbill, setting forth the falsity of the rumours circulated, was posted throughout the city. Dr. Wright's family have been greatly annoyed by visits from numerous creditors of the bank. A policeman was stationed at the door leading to the private apartments of the building, with orders to admit no one.

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#### FINANCIAL PROSPECTS.

(From the *Alta Californian*, Feb. 27.)

The rain, which has been falling steadily all day, conveys the best assurance to the community at large, that whatever misfortunes may have happened to certain parties here, the community at large is likely to recuperate rapidly—the more so as the telegraph announces the prevalence of the rain all through the mountains. Although we ourselves are convinced

that enough water has fallen this season to save the state, while we know that throughout Shasta, Siskiyou, Klamath, Trinity, and in adjoining counties—a region embracing one of the largest mineral districts of the state—the streams are all running, we yet see the necessity for more rain in some of the lower counties, and consequently rejoice in the present change in the weather, as likely to prove of the greatest benefit to the state.—Wednesday evening.

*Feb. 28.*—The heavy continued rain, which has been falling for the last forty-eight hours, has exercised a most cheering influence on the minds of the community—inspiring the people with a strong hope that, despite the losses and disasters of the past few days, the country will right itself soon, and, by the enhanced production of the mines, place the commercial world in a yet favourable position. The amount of business transacted could not, of course, under the circumstances, be large, the storm and the expected departure of the steamer keeping the merchants indoors, and many of them being too busy in their correspondence to attend to mere matters of traffic; but the certainty that copious rains were falling all through the mountains was, after so many weeks of heart-sickening anticipation, a sufficient cause of rejoicing to banish the gloom occasioned by the failure of the banks. The state at large has taken a giant stride within the last two days.

*(From the Alta Californian, March 1.)*

It is nothing, only to the persons immediately involved, that the banks have suspended. They did little or nothing for the country. They do not increase our circulation. They have no bills of credit. They simply facilitate exchange and business in our cities, and, if safe, would be valuable to depositors. The failure of every bank in the state, aside from the loss to individuals, is nothing to our financial prosperity. It does the most evil by destroying public confidence. But as we were getting largely into the credit system, very unnecessarily and very foolishly, in vain efforts to stimulate trade, it may be the best, in a long run, to have this confidence shaken. But really nothing is lost; our Gibraltar of gold stands impregnable. There are near \$2,500,000 in coin unappropriated in this city this hour. There were, as nearly as we can ascertain, drawn from

Page, Bacon, and Co. ...	...	...	...	...	\$800,000
Adam and Co... ..	...	...	...	...	200,000
Lucas, Turner, and Co...	...	...	...	...	400,000
Wells, Fargo, and Co. ...	...	...	...	...	200,000
B. Davidson ... ..	...	...	...	...	600,000
Drexel, Sather, and Church	...	...	...	...	200,000
Robinson... ..	...	...	...	...	19,000
Wright ... ..	...	...	...	...	15,000
<b>Total</b> ... ..	...	...	...	...	<b>\$2,434,000</b>

#### THE AMERICAN CRISIS OF 1854.

In a recent circular issued by Messrs. Marie and Kanx, of New York, we find the following elaborate statement respecting the progress of the late American crisis, which, although it does not differ from the opinions already given in these pages, furnishes some additional statistics, which will be perused with interest:—

The financial crisis with which the United States have been visited

during the last eighteen months, seems to justify, on our part, a few observations, which we herewith submit. We shall, in the first place, rapidly notice the causes of the present condition of affairs. We propose, in the next place, to draw a comparison between this crisis and that of 1837. This will the better enable us to appreciate the extent of the existing evil. We will finally endeavour, in the same intent, to measure the progress of the crisis since the close of the year 1853.

#### CAUSES OF THE CRISIS.

We attribute the present disturbed state of the finances, 1st, to our American system of granting too long credits. 2ndly, to the too rapid extension of our banking system, arising out of the gold discoveries in California. 3rdly, to the extraordinary development of our railway system—exceeding our means, and, in many instances, anticipating our wants. 4thly, to the war in Europe, whereby the current of European capital has been diverted from America to the Black Sea. 5thly, and finally, to the frauds and peculations which, by shattering confidence, precipitated the contraction of credits—a result destined, we think, in any event, to take place. We may add, as a secondary cause, the speculations in the public lands.

I. The usage, now so general, of giving eight and ten months' credits has probably contributed as much as any other cause to the rapid growth of the prosperity of our new states. But this usage is open to great objections. It was introduced before the days of canals and railways, but now that these improvements have drawn the west closer to us, the buyers of the new states, receiving their merchandise a few days after making their purchases, are enabled to give their customers a credit of several months. And to this they usually resort, with a view to increased business. This system leads to extravagance in living, gives an immense start to the general business of the country, and causes excessive imports of foreign merchandise, with a balance of trade against the country, which has to be settled in specie. It also compels our wholesale merchants, during four months of the year, to grant double credits. It is this fact which makes a crisis in money matters so much longer and severer here than in Europe. This is also why we are so easily affected by whatever is likely to unsettle confidence. We are, therefore, pleased to add that a movement is already on foot to limit credits to six months.

II. The accessions of gold, after our acquisition of California, gave such an impetus to business, that the want of further banking facilities became pressing. In addition to the ordinary exchanges of the country, there were the wants arising from the construction of our railways, which were beginning to take an extraordinary start. The western states, but particularly Indiana, anxious to draw thither eastern capital, organised their free banks on a basis wanting in solidity. The consequence was, a too sudden increase of paper currency. The state of Ohio, alarmed, finally prohibited its circulation by law. The holders claimed payment in specie. The banks, unable to respond in many instances, broke. Distrust became general—the holders of

the notes of the Indiana banks lost from 10 to 25 per cent., and business suffered from so sudden and extraordinary a contraction of the circulating medium. The heavy sales of state stocks held by these banks, forced on our already suffering market, occasioned here a drain of specie, and compelled our banks to a further reduction of credits. The contraction was such, that four of the smaller institutions were compelled to wind up. At length, the total suspension of specie shipments to Europe produced a better feeling, and our banks were able slightly to extend their line of discounts. And not long afterwards the drain of coin to the west likewise ceased.

III. The brilliant success of the first railways, completed some years ago, drew upon this class of property the attention of both American and foreign capitalists. After building many of the most necessary and productive roads, they began to project rival, and, consequently, injurious lines, or unimportant cross roads, running through districts too imperfectly settled. Some of these projects were premature, some needless. But, fortunately, this class of roads had made but little progress, and constituted but a small proportion of our total railway system, when the scarcity of money caused them to suspend work.

IV. So constant and so progressive had been the support given by European capitalists to our railways, that we had finally come to rely upon it as an unfailing resource. At the close of 1853, the war, which was already brewing in Europe, cut off the flow of foreign capital to this country. Whereupon we found ourselves with unfinished works on hand, and deprived of a support which had been included as an indispensable element in our calculations. Left to ourselves, our wants exceeded our means. We had either to suspend the unfinished works, or push them forward by laying all our resources under contribution. We did both. Those roads which were but little advanced, or not in high credit, were compelled to stop work. Those that were already in operation, or in high credit, competed with the regular business of the country for its available means. It is difficult to determine to what extent the frauds which occurred in the course of the past year may have contributed to the existing state of things. They certainly hastened it on. But without them we should have had bank failures, railroads overdone, excessive imports, and wars in Europe. Possibly, however, without these frauds, timid capitalists abroad, finding themselves on the eve of a general war, might have preferred investing here—and have deferred the present crisis for months, perhaps years, only to break out at last with double force. As to land speculations, they were stimulated by the introduction of railways, and the sudden and extraordinary advance caused in the price of lands through which they passed—also by the recent law of Congress, reducing the price of public lands remaining unsold a certain number of years. The speculations of this character have been considerable, but their injurious effects have been much modified by the great emigration of the last few years, as well as by the transformation, effected by the introduction of railways, of wild lands into cultivated fields.

## 1837 COMPARED WITH 1854.

THERE being, in the minds of many, apprehensions that the present troubles are but the precursors to a crisis similar to 1837, we submit the following particulars, which will serve to drive away their fears.

Since 1837, the territory of the Union has increased about one-half. The last census makes it 3,230,572 square miles; another report, 2,983,153.

The population has increased two thirds.

The tonnage shows a gain of 150 per cent.

The amount of coin in the country has more than tripled. In 1837, the gold mines of the Atlantic States produced scarcely three-quarters of a million annually. The present steady, and we may say inexhaustible, production of the Californian mines is at the rate of \$53,000,000 a year. The balance of trade against the country for the seven years from 1831 to 1837, as will appear by the annexed table, amounted to \$188,000,000. A part at least of this had to be paid in specie; and, according to the secretary of the treasury, there was in the whole country but \$73,000,000 in coin. The corresponding balance of trade for the seven years from 1848 to 1854 was only \$94,000,000; and, according to the secretary of the treasury again, there was in the country \$241,000,000 in coin, and we were receiving a million a week from California.

Prior to 1831, as well as before 1848, the exports were slightly in excess of imports.

## BALANCE OF TRADE FOR SEVEN YEARS COMPARED.

Year.	Imports.	Exports.	Year.	Imports.	Exports.
	Dollars.	Dollars.		Dollars.	Dollars.
1831	103,191,124	81,310,583	1848	154,998,928	154,032,131
1832	101,029,266	87,176,943	1849	147,857,439	145,755,820
1833	108,118,311	90,140,443	1850	178,138,318	151,898,720
1834	126,521,832	104,836,973	1851	216,224,932	218,388,011
1835	149,895,742	121,693,577	1852	212,945,442	209,658,366
1836	189,980,035	128,663,040	1853	267,978,647	230,976,157
1837	140,989,217	117,419,376	1854	304,562,381	278,241,064
	916,725,027	730,740,935		1,482,706,087	1,388,950,269
Balance of Trade .....		188,984,092	Balance of Trade .....		93,755,818
	919,725,027	919,725,027		1,482,706,087	1,482,706,087

In 1837, the total debts of the twenty-six states, according to the comptroller of the state of New York, amounted to \$123,000,000. The public moneys having been unwisely applied, the improvements, for which these debts had been incurred, were left unfinished, and a large portion of this vast sum remained unproductive, and much of it was wasted. From the same source we find the amount of American securities held abroad estimated at \$200,000,000; but this appears to us too large by at least \$50,000,000. In 1853, the total debts of the thirty-one states did not exceed \$216,167,786. The state credits in favour of internal improvements had proved profitable, and, in many cases, they yielded an income larger than the interest on the debt; and, compared to like events in 1837, we have to record no very important misappropriation of the public moneys. According to the most reliable data, the amount of American stocks now held abroad cannot much exceed \$230,000,000.

We have been unable to procure information as to the value of taxable

property in the Union in the year 1837. By the census of 1850, the value of real and personal estate in the United States belonging to individuals, irrespective of the public domain, amounted to \$7,135,780,228. We have been only able to obtain the valuation at the two periods under consideration of six states. They show an average increase of 100 per cent., with an immense proportion in favour of the West.

**TAXABLE PROPERTY OF SIX STATES.**

(Official Valuation.)

	1837.	1852.
	Dollars.	Dollars.
New York.....(1837-1852) .....	627,554,784	1,168,335,237
Pennsylvania.....(1835-1851) .....	294,509,187	492,898,829
Virginia.....(1837-1852) .....	800,000,000	465,542,189
Ohio.....(1837-1852) .....	110,000,000	507,581,910
Indiana.....(1837-1853) ..	95,000,000	266,097,614
Kentucky.....(1837-1852) .....	217,453,041	333,131,512
Total.....	1,644,517,012	3,233,587,291

In 1837, land speculations were carried to such an extent that agriculture was neglected, and we were compelled to import bread stuffs from Europe. In nine months, from October 1st, 1836, to June 30th, 1837, the amount imported was \$3,776,089. From 1833 to 1837 the imports of grain added up 5,500,000 bushels. For the official year 1853-1854 the exports of bread stuffs and provisions exceeded those of any previous year, excepting 1847—being, by the official table, \$65,901,240.

Our coal mines, which in 1837 only yielded 887,000 tons, produced in 1854 more than seven times as much—say 6,550,000 tons.

In 1837, there were at the most 1,409 miles of finished railways in the country. Now we have 19,266 in operation, and 8,000 miles in progress.

Emigration, which constitutes so important an element in the development of our great enterprises, and in the cultivation and clearing away of our lands, amounted, in 1837, according to official estimates, to 78,083 souls. This movement now exceeds five times that figure; and for 1854, to judge from the arrivals at this port, it will not be less than 400,000 souls. And, moreover, since 1848, the emigrants have comprised a larger proportion of the more easy and intelligent classes.

The sales of public lands, which may serve, to a certain degree, to determine the extent of speculations in real estate, only exceeded in 1854 by 15 per cent. the amount sold in 1837, notwithstanding the great emigration and the remarkable growth of the new states within a few years. We give below the amount of sale at the respective periods, including the lands located with military warrants.

In 1837, as well as in 1854, grain was very dear. In the first instance, the high price was an index of our poverty, inasmuch as we were importing it from abroad; but now that we are large exporters, the high price contributes to our wealth.

The better to illustrate the above particulars, we collect them into a table—having compiled the greater part of our figures with great care from a number of authentic documents.

## COMPARATIVE STATISTICS OF THE UNITED STATES.

		1837.	1854.
Area of Territory .....	Sq. Miles	2,055,000	3,230,572
Population .....	Souls	15,808,422	25,750,000
Tonnage .....	Tons	1,896,684	4,802,903
Taxables in six States .....	Dollars	1,644,000,000	3,233,000,000
Annual yield of Gold Mines .....	do	700,000	53,000,000
Annual yield of Coal Mines .....	Tons	887,632	6,550,000
Specie in Banks .....	Dollars	88,000,000	60,000,000
Specie in Circulation .....	do	35,000,000	181,000,000
Total Specie in the Country .....	do	73,000,000	241,000,000
Debts of the several States (1837 and 1853) .....	do	123,703,747	216,167,786
American Stocks held abroad .....	do	150,000,000	230,000,000
Imports of Merchandise (1836 and 1854) .....	do	176,579,154	297,803,794
Imports of Specie (1836 and 1854) .....	do	13,400,881	6,758,587
Exports of Specie .....	do	4,324,336	41,197,300
Exports of Merchandise .....	do	124,338,704	237,043,764
Balance of Trade against the Country for the seven years previous .....	do	188,984,092	93,755,818
Exports of Provisions and Bread-stuffs .....	do	9,588,359	65,901,240
Cotton Crop .....	Bales	1,422,930	2,927,608
Railroads .....	Miles	1,400	19,266
Emigration .....	Souls	73,083	400,000
Sales of Public Land (including land warrants) .....	Acres	20,074,871	23,000,000
Consumption of Foreign Merchandise, per capita .....	Dollars	10.93	10.00
Average price of Flour .....	¢ Bbl	9.62	9.25

We give below the official reports of the banks of the Union in 1834, 1836, 1837, 1838, 1851, and 1854. These statements being prepared at different periods of the year, and under different classifications of accounts, according to the various states in which the banks lay, this table can only be used as an approximative guide. In consequence of this want of uniformity as to time and system, the same amount of specie would frequently appear (in 1836-38) two or three times in the same general report. In 1837, the circulation was only guaranteed by the general resources of the banks. At present, it is usually based upon pledges of government or state stocks, and the greatest possible loss is the discount these collaterals may happen to be sold at. The number of banks, the specie, and the deposits show an increase of nearly 50 per cent. since 1837; the circulation, 35 per cent.; loans and discounts, 25 per cent.; and the capital, only 4 per cent.

## CONDITION OF THE BANKS OF THE UNITED STATES.

Year.	Banks	Capital.	Discounts.	Specie.	Circulation.	Deposits.
1834	506	200,005,944	324,119,499	26,641,753	94,839,570	75,666,986
1836	713	251,875,292	457,506,080	40,019,594	140,301,038	115,104,440
1837	788	290,772,091	525,115,702	37,915,340	149,185,890	127,397,185
1838	799	.....	471,073,383	36,906,705	110,420,884	81,266,278
1851	879	227,807,533	462,426,847	48,671,048	155,165,251	128,957,712
1854	1208	301,756,071	653,697,675	59,410,253	204,689,207	188,188,744

A more correct idea of the relative position of our banks in 1837 and 1854, may be formed by consulting the following table of the banks of the city of New York. The suspension of specie payments lasted from 1st May, 1837, to the 10th May, 1838. The increase in deposits is especially remarkable.

BANKS OF THE CITY OF NEW YORK.

	Banks.	Capital.	Discounts.	Specie.	Circulation.	Deposits.
Jan. 1, 1837	21	18,111,200	39,665,434	4,047,101	8,821,695	12,509,788
June 1, 1837	21	18,111,200	38,434,213	1,711,409	5,283,950	11,300,440
May 1, 1838	21	18,111,200	28,220,628	6,570,732	3,180,161	12,600,230
Aug. 6, 1853	56	46,313,622	97,899,499	9,746,441	9,513,053	60,579,797
Nov. 12, 1853	57	46,373,342	82,802,409	12,823,573	9,287,629	56,201,007
Dec. 26, 1853	57	46,447,142	88,766,402	12,074,499	8,872,764	58,154,302
June 3, 1854	58	47,454,000	91,916,710	10,281,969	9,381,714	71,702,290
July 22, 1854	58	47,657,000	92,011,870	15,720,309	8,768,289	75,959,082
Oct. 28, 1854	56	47,657,000	84,709,236	9,826,763	8,131,933	63,792,637
Dec. 30, 1854	55	47,260,000	81,653,637	12,076,147	7,075,880	63,223,942

The crisis of 1837 was the natural re-action of the extraordinary fictitious values that had prevailed in 1835 and 1836. This expansion had been brought about by the transfer of the Government deposits from the Bank of the United States to the minor banks throughout the several states. This sudden accession of capital resulted in a great increase of circulation and credits, and more particularly in the new states. The country having no useful outlet for this increase of means, every one rushed into mad speculations in the public lands. The sales of these lands added to the receipts of the treasury, and these receipts being again deposited in the banks, the latter went on upon this enlarged basis to add again and again to the aggregate of paper credits and paper money. This led to a general and continued rise in prices: imaginary cities were founded, subscriptions were obtained to the shares of all manner of companies, and fortunes were made on paper in less than four-and-twenty hours. At length, the distribution of the surplus fund in the public treasury among the states was determined upon. This fund, amounting to \$37,000,000, which was in the hands of the depositing banks, as we have just shown, had been applied by them to the general purposes of business. They were now called upon to pay back these funds, and, according to the famous "Specie Circular," nothing but gold and silver could be received. To get ready for this emergency, they were compelled to contract within a given time their circulation and their loans and discounts. From that hour the re-action set in. The upward movement ceased, speculators were called upon to realise, but the purchasers had disappeared. We had also a large balance of trade to pay off to Europe, which we were unable to do in produce, our speculative mania having caused agriculture to be neglected. Nor could we discharge this debt in specie, as there was not enough coin in the whole country to meet it. The crash came. From one end of the Union to the other, the banks suspended specie payments, and bankruptcy became general. In a few weeks, two hundred and fifteen first-class houses failed in the city of New York. At New Orleans, the suspensions reached one hundred millions of dollars, and in Mississippi the price of a slave fell from \$1,200 to \$300, and even \$150.

In 1854, on the contrary, the country suffers less from the superabundance of currency during the few previous years, than from a superabundance of works undertaken. We have to recall no extravagant rise of prices, nor



imaginary cities; we have to record but a few wild schemes and a few fictitious companies. We have no balance of trade to discharge that is beyond our means to pay. We have, on the contrary, a large amount of specie in circulation, which in case of need could be called in by the banks, and which puts it out of the question for them to renew the suspensions and disasters of 1837. The Government now makes use neither of paper currency nor banks of deposit. The sub-treasury receives nothing but gold, and uses it neither in loans and discounts, nor for any other mode of extending facilities to business. When payments have to be made, either for public expenditures, or for the redemption of the Government debt, business suffers no disturbance. The only influence is a favourable one. If the imports assume dangerous dimensions, if land speculations become excessive, a check is imposed on them by the restriction of credits consequent upon the accumulation of coin in the sub-treasury.

Before 1837, we had too much currency in proportion to our wants. Now, we have too many wants in proportion to our currency.

In regard to those persons who consider the constant European investments in our securities a misfortune for the country, it seems to us that they labour under a mistake. This foreign capital has been made use of to develop immense wealth—it is now represented by great works in successful operation, yielding profitable returns, and which have indirectly tripled the wealth employed in their construction. It is as if Europe had come into the American Union as a special partner, and was receiving from six to seven per cent. interest on her capital, while America was realising a profit from its use ranging from ten to twenty per cent.

The following shows the comparative position of the banks of our five leading cities. With the exception of New York, they show but a limited contraction. At Philadelphia and New Orleans there has been an unexpected expansion. The loss of specie in the Philadelphia banks is but apparent. It proceeds from the erroneous system of including last year's specie funds under the head of specie; this system has now been abandoned:

COMPARATIVE CONDITION OF THE FOLLOWING BANKS AT THE CLOSE OF  
1853 AND 1854.

BANKS.	1853.	Discounts.	Specie.	Circulation.	Deposits, &c.
New York ...	Dec. ...	88,766,402	12,074,499	8,872,764	58,154,302
Philadelphia ...	Nov. ...	21,964,702	5,294,050	5,079,631	13,640,933
Boston .....	Oct. ...	48,678,804	2,921,155	9,618,421	13,494,318
Baltimore ...	Dec. ...	14,969,213	2,848,708	2,956,532	6,962,939
New Orleans ...	Nov. ...	15,563,328	7,128,390	5,902,851	11,268,689
		189,942,449	80,266,802	32,430,199	103,516,181
BANKS.	1854.				
New York ...	Dec. ...	81,653,637	12,076,147	7,075,880	63,223,942
Philadelphia ...	Nov. ...	25,285,319	3,940,189	4,692,146	14,942,602
Boston .....	Dec. ...	48,880,303	2,757,867	7,217,724	11,494,876
Baltimore ...	"	14,779,343	2,483,846	2,638,708	5,858,629
New Orleans ..	"	17,278,187	6,215,258	6,809,059	11,431,115
		187,876,769	27,472,752	27,933,517	106,951,164

The drain of specie seems now to have nearly ceased. Everything, on the contrary, leads us to expect that our banks will continue to increase their reserve of coin. But confidence revives but slowly. We must expect some failures in the spring; but that period once passed, we look forward to a permanent improvement. Should Europe renew on a large scale her invest-

ments in our securities, as we have reason to believe, the revival of prosperity will be more rapid. Speculation is everywhere crushed, and the prices of our stock are such as scarcely to admit of a further decline. With the exception of real estate, we can foresee no great additional depreciation in anything. The prices of agricultural products keep up, and as long as the war lasts the demand from abroad must continue, and cannot fail to carry us back to prosperous times. The imports, already declining, must continue to fall off. And everywhere economy is the order of the day, in personal expenditures as well as in the management of our great enterprises—our railroads above all.

### MEXICAN FINANCE.

IN recent advices from Mexico, it was mentioned that M. Olsagarre, the Finance Minister, and the only man in the government upon the honesty of whose intentions the slightest reliance could be placed, had resigned his appointment. Previously to this step he had arranged the materials of a memoir on the resources of the country, which he had submitted to the supreme authority, and a copy of which has just been received. It had excited a very favourable feeling among all respectable persons in Mexico; but the fact of M. Olsagarre having found his views incompatible with the possibility of his continuing in the cabinet, deprives them of the cheering features they would have presented, if there had been a hope of their being tolerated by Santa Anna and his unscrupulous favourites. The main feature of his plan of financial reform is the admission of 20 per cent. of the domestic bonds in payment of all duties and imposts, with the double object of relieving trade and of gradually extinguishing the domestic debt. He intimates, that if, after some time, 20 per cent. should be found too little, the proportion might be increased to 30, or even 40 per cent. He also proposes to commit the collection of the revenue, at a certain fixed per centage, to a fiscal board, elected by the different classes of society—a measure too likely to stop speculation to have any chance of being entertained. The *data* on which his calculations as regards the revenue are based, refer to the twelvemonth from the 1st of July, 1853, to the 1st of July, 1854, and are summed up as follows :—

Duties and imposts collected at the maritime Custom-					
houses ...	...	...	...	...	\$9,011,010
Ditto in the interior ...	...	...	...	...	6,304,532
Direct taxes ...	...	...	...	...	1,298,299
Stamps, &c. ...	...	...	...	...	960,000
Gross ...	...	...	...	...	\$17,563,841
Deduct 8 per cent. for charges of collection ...	...	...	...	...	1,405,107
Net ...	...	...	...	...	\$16,158,734
Tobacco monopoly ...	...	...	...	...	735,000
Post-office ...	...	...	...	...	72,435
Cards ...	...	...	...	...	29,360
Tolls ...	...	...	...	...	450,000
Mints ...	...	...	...	...	73,599
Total ...	...	...	...	...	\$17,519,128

The expenditure he estimates as follows :—

Annual charge on foreign debts :—					
Bonded debt of \$51,208,250, contracted					
in London, 3 per cent. interest	...	...	...	...	\$1,536,247
London agency and charge of remittances	...	...	...	...	68,269
					<hr/> \$1,604,516
Diplomatic convention creditors :—					
English, \$5,541,401, 07—3 per cent. interest, and 5					
per cent. sinking fund	...	...	...	...	464,637
Spanish, \$5,802,662 04—3 per cent. interest, and 5					
per cent. sinking fund	...	...	...	...	464,213
French (?) per estimate	...	...	...	...	200,000
					<hr/> \$2,733,366
Army and navy	...	...	...	...	10,000,000
Civil service	...	...	...	...	3,000,000
Roads and public works	...	...	...	...	1,000,000
					<hr/>
Total	...	...	...	...	\$16,733,366

Which leaves an apparent surplus of 785,762 dollars to meet extraordinary expenses. One of the tables furnished by M. Olsagarre, which gives in detail the amounts of import and export duties collected at each Custom-house, enables a calculation to be made of the produce of the revenues assigned to the British bondholders, for the twelve months ending the 1st of July, 1854. During that period the import duties amounted to 5,800,542 dollars, the export duties in the Gulf, to 794,289 dollars, and the export duties in the Pacific, to 88,932 dollars; and, as the portion assigned to the foreign debt is, on the first item, 25 per cent., on the second, 5 per cent., and on the third, 75 per cent., the aggregate produce is about 1,573,000 dollars—that is to say, more than enough to pay the annual interest on the debt, 1,536,247 dollars, and to provide the expenses of the Mexican agency here. The charges of remittance are payable out of the general revenues. The bondholders, however, according to the last report of the committee, seem to have got only about one-half of all this. Thus it appears, the Mexican Government are allowed with impunity to lay hands on a fund which has by law become British property, and which is, in the very act of collection, separated, and throughout kept quite distinct from the rest of the revenue.

#### TRADE OF THE UNITED KINGDOM.

THE Board of Trade returns for the month ending the 5th of March were issued on the 2nd of April, and furnish the strongest evidence yet presented of the rapid contraction of business throughout the country. As compared with the corresponding month of last year, the declared value of our exports shows a falling off to the almost unprecedented extent of £2,470,496, the aggregate not having been more than two-thirds of what it was at that period. This change has been felt more or less in all departments of business, but there are still abundant

indications of its being mainly due, not to the war, but to the re-action, which the war alone rendered timely, from the wild trade carried on last year to Australia, America, and elsewhere. At the same time, the political state of the Continent is unquestionably producing some considerable effect in reducing the amount of our transactions, proof being afforded of the inactive state of the various European manufactories by a great decrease in our exports of cotton, linen, and woollen yarn. The sub-joined table shows the exact degree in which each branch of trade has been affected :—

DECLARED VALUE OF EXPORTATIONS.

Month ending March 5.	1854.	1855.	Increase.	Decrease.
Alkali—viz., soda ... ..	25,431	13,469	—	11,962
Beer and ale ... ..	90,907	94,824	3,917	—
Butter ... ..	31,196	27,365	—	3,831
Candles ... ..	8,180	9,085	905	—
Cheese ... ..	5,131	3,112	—	2,069
Coals and culm ... ..	107,714	97,360	—	10,354
Cordage and cables ... ..	18,236	8,472	—	9,764
Cotton manufactures ... ..	1,961,507	1,782,189	—	179,318
Cotton yarn ... ..	552,038	249,085	—	302,953
Earthenware ... ..	107,161	57,436	—	49,725
Fish ... ..	10,875	5,333	—	5,542
Glass manufactures ... ..	39,105	24,692	—	14,413
Haberdashery and millinery ... ..	337,143	168,782	—	168,361
Hardwares and cutlery ... ..	276,035	174,173	—	101,862
Leather ... ..	130,271	54,262	—	76,009
Linen manufactures ... ..	356,999	259,614	—	97,385
Linen yarn ... ..	97,108	83,625	—	63,483
Machinery ... ..	143,064	133,606	—	9,458
Metals ... ..	1,106,331	574,366	—	531,965
Oil and seeds ... ..	27,275	16,403	—	10,872
Painters' colours, &c. ... ..	19,601	10,820	—	8,771
Salt ... ..	25,765	13,209	—	12,556
Silk manufactures ... ..	89,903	63,906	—	25,997
Silk, thrown ... ..	17,930	10,194	—	7,736
Silk, twist and yarn ... ..	12,163	17,846	5,683	—
Soap ... ..	18,052	15,523	—	2,529
Stationery ... ..	41,555	31,155	—	10,400
Sugar, refined ... ..	23,036	5,513	—	17,523
Wool, sheep or lambs ... ..	30,456	66,829	36,373	—
Woollen manufactures ... ..	803,938	416,359	—	387,579
Woollen yarn ... ..	103,277	49,565	—	53,712
Unenumerated articles ... ..	885,479	544,234	—	341,245
Total ... ..	7,502,912	5,032,416		

The exportations for the first two months of the present year amount to £10,197,460, against £12,480,526, in the corresponding period of 1854, showing a diminution of £2,698,242, which has occurred as follows :—

Month ending	Decrease.
February 5 ... ..	£227,746
March 5 ... ..	2,470,496

As compared with the same months of 1853 there is a falling off of £2,307,080.

With regard to imported commodities, the quantities of foreign grain and flour brought in for consumption have comparatively been very small. Some other articles also show a falling off, but tea, coffee, sugar, spirits, fruits, and spices, have all been rather largely used.

Subjoined are the quantities of provisions, &c., imported and taken for home consumption:—

Month ending March 5.	Imported.		Home Consumption.	
	1854.	1855.	1854.	1855.
Grain, wheat, qrs. ... ..	283,362	73,221	283,862	73,221
Grain of other descriptions, qrs...	88,346	29,318	88,346	29,318
Indian corn, qrs. ... ..	116,455	77,420	116,455	77,420
Flour and meal, cwt. ... ..	400,589	106,765	400,589	106,765
Provisions—Bacon, pork, &c., cwt.	31,277	48,779	Free.	Free.
Butter and cheese, cwt. ... ..	62,198	95,889	66,838	81,886
Animals, No. ... ..	11,375	4,817	Free.	Free.
Eggs, No. ... ..	8,876,285	4,650,800	8,865,749	4,650,800
Cocoa, lb. ... ..	155,022	510	439,568	853,670
Coffee, British, lb. ... ..	421,644	824,538	2,307,270	2,745,011
Ditto, foreign, lb....	669,123	271,103	624,741	488,438
Total coffee ... ..	1,090,767	595,641	2,932,011	3,233,449
Sugar—				
West India, cwt. ... ..	111,016	8,907	192,231	205,394
Mauritius, cwt... ..	125,110	52,792	134,584	99,112
East India, cwt. ... ..	96,489	32,295	124,237	50,244
Foreign, cwt. ... ..	124,679	18,389	78,237	197,221
Total sugar ... ..	457,244	112,383	529,289	551,939
Tea, lb. ... ..	9,872,326	2,155,341	2,728,470	4,716,905
Rice, cwt. ... ..	57,931	27,319	70,069	83,997
Spirits, gallons ... ..	790,386	166,328	387,757	418,040
Wines, gallons ... ..	946,471	204,425	577,490	424,171
Opium, lb. ... ..	14,663	5,135	5,114	5,569
Tobacco, lb. ... ..	1,178,658	861,024	2,407,752	2,577,979
Currants, figs, and raisins, cwt...	31,108	12,797	17,591	23,499
Lemons and oranges, bushels ...	93,580	110,868	99,008	117,421
Spices, lb. ... ..	239,956	258,099	336,903	353,500
Ditto, cwt. ... ..	7	475	289	285

The following are the comparative imports and exports of raw material, showing, with the exception of hemp and tallow, a very large decrease in each instance:—

Month ending March 5.	Imported.		Exported.	
	1854.	1855.	1854.	1855.
Flax, cwt. ... ..	39,702	23,458	—	—
Hemp, cwt. ... ..	35,242	55,874	—	—
Raw Silk, lb. ... ..	989,086	704,957	29,667	117,441
Cotton, cwt. ... ..	602,203	302,351	65,417	18,365
Wool, lb. ... ..	5,526,166	853,726	2,215,295	1,093,593
Tallow, cwt. ... ..	26,822	50,315	—	—

Of silk manufactures, which also present a great reduction, the totals stand thus :

Month ending March 5.	Imported.		Home Consumption.	
	1854.	1855.	1854.	1855.
Silk manufactures of Europe, lb.	90,570	68,410	87,687	66,693
Ditto, of Indian pieces ... ..	81,072	26,250	17,774	4,710

The imports of other articles have likewise experienced a diminution, sufficient, with the instances already mentioned, to account for the improvement, during the past month or two, in the foreign exchanges. Dyes and dyeing stuffs, metals, oils, and timber, have all been taken in very limited quantities.

## Abstract of Railway Meetings.

### THE RAILWAY INTEREST OF THE UNITED KINGDOM,

In presenting our usual abstract of the railway meetings for the past half-year, there are few prominent features that require extended comment. No great expansion of enterprise has taken place in this respect, because the progress of the war and the prevalence of mercantile discredit has checked, not only this, but every other class of adventure ; and, for the present, there appears little prospect of any revival. Looking at the impediments to the development of traffic, the necessary increase of expenditure occasioned by the advance in the rates of wages and materials, the dividends, on the average, have been well maintained. An active revision of management might produce more satisfactory returns with regard to an aggregate revenue ; but, while the existing system is in vogue, it is scarcely possible to anticipate a favourable alteration. As exhibiting the success attending the application of mechanical science to the ordinary modes of conveyance, the plan of railway communication is the most perfect ; but it fails, in a great degree, to prove as remunerative as was expected. The introduction of improvements may, however, in the end, achieve the desired result, though, it is to be feared, not before a large amount of capital shall have been irretrievably sunk.

### ABERDEEN.

THE half-yearly meeting of this company was held on the 18th April, at Aberdeen, when a dividend, at the rate of 6 per cent. per annum, was declared.

The report states that the revenue for the half-year ending the 31st of January last amounted to 53,098*l.*, and the expenditure to 27,388*l.*, leaving a balance of 25,710*l.* From this is deducted 13,376*l.* for interest on debentures, and 6,047*l.* for rent of Arbroath and Forfar Railway, leaving a surplus of 6,287*l.*, which, added to 2,263*l.*, the balance from the preceding half-year, makes a disposable balance of 8,550*l.* This enables the directors to pay the full dividend on the 6 per cent.

preference stock for the half-year ending the 30th of April, and to carry forward 250*l.* to the next account. The dividend will be paid on the 15th of May. The increase in the revenue during the past half-year, as compared with that of the corresponding period of the previous year, amounted to 6,610*l.*, and the increase in the expenditure to 1,894*l.* The number of miles run has been upwards of 12,000 in excess of the corresponding period. Exclusive of passenger duty and rates and taxes the working expenses are 47½ per cent., and 51½ per cent. including them. The increase of revenue during the past half-year has been unfavourably affected by the depressed state of manufactures, especially in Aberdeen. Unless an improvement take place in the trade and commerce of the country, the directors cannot anticipate that the results of the current half-year will be so favourable as those of the past. The additions to capital account during the half-year amount to 11,582*l.* The capital account shows that the company is authorised to raise 1,330,689*l.* on share capital, 419,888*l.* on loan, and 116,050*l.* on debenture stock—total, 1,866,628*l.* Of this amount 1,785,218*l.* had been raised, leaving 81,409*l.* to be raised. The expenditure amounted to 1,844,939*l.*, and the receipts to 1,776,454*l.*, leaving a balance against the company of 68,484*l.* The traffic receipts per train per mile amounted to 55*2d.*, and the expenses to 22*47d.*

#### AMBERGATE, NOTTINGHAM, AND BOSTON, AND EASTERN JUNCTION.

THE half-yearly meeting of this company was held on Wednesday, March 7, when a dividend of 2½ per cent. per annum was agreed to.

The report of the directors states, that they have to inform the proprietors that the conveyances of the Nottingham and Grantham Canals were executed on the 2nd day of January last, and debentures for 87,500*l.*, bearing 4 per cent. interest, were then delivered to the Nottingham Canal Company; and for 86,250*l.*, bearing 3½ per cent. interest, to the Grantham Canal Company. The traffic of the past six months shows an increase of 12 per cent. on that of the corresponding period of last year.

#### BRISTOL AND EXETER.

THE 37th half-yearly meeting of this company was held on Thursday, February 23, at the White Lion Hotel, Bristol, Mr. J. W. Buller in the chair, when a dividend of 2½ per cent. for the half-year was agreed to.

The report stated that the gross traffic receipts upon the Bristol and Exeter Railway, from the 1st of July to the 31st of December, 1854 (including the sum of 2,969*l.* 17*s.* 5*d.*, received on the Exeter and Crediton Railway, and due to the Bristol and Exeter Company), amount to the sum of 164,882*l.* 10*s.* 1*d.*, which is 19,245*l.* 15*s.* 4*d.* more than in the corresponding half of the year 1853. The working expenses charged to revenue during the same period, including those of the Exeter and Crediton Railway and (from the 28th of August) the Somerset Central Railway, amount to 85,361*l.* 7*s.* 8*d.*, or 50·86 per cent. of the gross receipts, and 729*l.* 11*s.* 9*d.* per mile on 117 miles of railway; or 711*l.* 6*s.* 10*d.* per mile on the average line of length worked for the half-year, which would be 120 miles. The amount actually expended during the half-year was 96,848*l.* 6*s.* 11*d.* The number of passengers over the Exeter and Crediton line was 82,860, conveyed 497,160 miles, and, after deducting these numbers from those before mentioned, the increase on the Bristol and Exeter line, including the Yeovil Branch (and the Somerset Central Railway from the 28th of August, when it was opened for traffic), is consequently 92,058 passengers, conveyed 2,864,454 miles. The disposable balance of the general revenue account, including the sum of 4,102*l.* 12*s.* 3*d.* brought over from the previous half-year (less the sum of 3,000*l.* written off towards the Devon and Dorset bill), is 53,377*l.* 18*s.* 10*d.*, which will provide for a dividend of 4½ per cent. per annum, or 2½ per cent. for the half-year, on the 2,000,000*l.* of Consolidated Stock, and leave a surplus of 8,377*l.* 18*s.* 10*d.* Out of this surplus the directors propose to write off the sum of 5,000*l.* to the credit of the suspense account of the Devon and Dorset bill. The total amount now borrowed on debentures is 879,155*l.*, the whole of which the directors propose to pay off, as they may progressively find it advantageous to issue perpetual preference 4 per cent.

stock, whereby the inconvenience and expense of renewals of loans will be precluded; and, as nearly one-half of the debentures bear a higher rate of interest, a large saving will be effected. The statement of accounts showed a share capital of 1,996,100*l.* 14*s.* 8*d.*; a perpetual preference 4 per cent. stock of 709,313*l.*; debenture debt, 879,155*l.*; and temporary loan, 10,000*l.*—together, 3,594,561*l.* 14*s.* 8*d.* The gross payments have been 3,535,180*l.* 16*s.* 11*d.*, leaving a balance of 59,487*l.* 17*s.* 9*d.* The revenue for the half-year had been 167,828*l.* 7*s.*, and the gross expenditure 85,361*l.* 7*s.* 8*d.*, leaving a balance of 82,466*l.* 19*s.* 4*d.* After payment of debenture and preference capital (amounting to 37,423*l.* 8*s.* 5*d.*), there is a disposable balance of 53,377*l.* 18*s.* 10*d.*

#### CALEDONIAN.

THE half-yearly meeting of this company was held in Glasgow on Tuesday, March 27, Mr. W. Johnstone in the chair, when dividends in accordance with the following report were adopted:—The report stated that the balance of net revenue for the half-year ending the 31st of January last, amounts to 64,771*l.*, the surplus from the preceding half-year to 752*l.*, making together 65,524*l.* From this is deducted 16,766*l.* for the preferential dividend at the permanently increased rate of 4½ per cent., and 45,786*l.* for a dividend on the ordinary stock, at the rate of 3 per cent. per annum, leaving a surplus of 2,971*l.* for the next half-year. The traffic for the half-year ending the 31st of January last, amounted to 296,772*l.*, and for the corresponding period of 1854 to 268,951*l.*, showing an increase of 27,821*l.* The working expenses amounted to 130,434*l.*, or 44 per cent., against 112,014*l.*, or 41 2-3*d.*s per cent. at the corresponding period, showing an increase of 18,419*l.* The capital account showed that 7,880,830*l.* had been received, and 7,968,725*l.* expended, leaving a balance of 87,894*l.* against the company. The revenue account for the half-year showed that 299,905*l.* had been received, and 135,523*l.* expended, including 5,089*l.* for rates and taxes, leaving a profit on the working of 164,382*l.*

#### CHESTER AND HOLYHEAD.

THE half-yearly general meeting of the shareholders was held on Thursday, March 8, at the Euston-square terminus of the London and North-Western Railway, Sir S. Morton Peto in the chair, when a dividend of 7*s.* 9*d.* per share on first preference shares was declared. The report stated that the traffic returns for the past half-year exhibit, in the aggregate, an increase as compared with the corresponding period of previous years. There is a decrease of 4,593*l.* 4*s.* 9*d.* in receipts from passengers, although the total number conveyed is greater than during the corresponding period of 1853. In the receipts from parcels traffic, also, the accounts show an apparent falling-off of 2,175*l.* 14*s.* 4*d.* as compared with 1853. This arises from the insertion, in the return for 1853, of amounts not strictly belonging to the traffic of that half-year, but the result of a settlement of accounts in dispute up to that time. As compared with the returns for the previous years, there is an increase. On the other hand, the working expenses exhibit a considerable increase, as compared with the half-year ending the 31st December, 1853. The accounts show a net balance to the credit of revenue of 16,788*l.* 9*s.* 6*d.*, after deducting debenture interest, and interest on advances. From this sum the directors recommend payment of a dividend of 7*s.* 9*d.* per share on the first preference shares, leaving a balance of 513*l.* 9*s.* 6*d.* to be carried forward to the current half-year.

#### DUBLIN AND KINGSTOWN.

THE twenty-third annual meeting of this company was held on Saturday, April 14th, at Dublin, Mr. W. Haughton in the chair, when a dividend of three per cent., free of income tax, for the half-year was agreed to.

The report stated that, from the peculiar character of the traffic of the year ending February, 1854, a fair comparison cannot be made with it, marked as that period



was by the Great Exhibition and the visit of Her Majesty; but reverting to the year ending February, 1853, the increase of income, exclusive of the Dalkey traffic, amounts to 477*l.*; this increase would, no doubt, have been greater but for the interruption of the communication between Kingstown and Dalkey, and the partial diversion of traffic on the Dublin and Bray railway. The statement of accounts shows a balance available for dividend of 26,997*l.*, which includes the sum of 4,505*l.*, carried forward from the previous year, out of which a dividend of 5 per cent., free of income-tax, on the paid-up capital of 290,000*l.*, amounting to 14,500*l.*, was paid in October last, and the board now declared a further dividend of 3 per cent., also free of income-tax, amounting to 8,700*l.*, and leaving a balance of 3,797*l.* to be carried to next account.

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#### DUBLIN AND WICKLOW.

THE half-yearly meeting of this company was held in Dublin on Monday, February 26, the Hon. Frederick Ponsonby in the chair.

The directors in their report said:—From the accounts of traffic for the past half-year (less nine days), it will be perceived that the receipts, from the partial opening of the line in July last, have exceeded the working expenses by a sum of 1,928*l.* 8*s.* 6*d.*, the appropriation or disposal of which it is properly the province of the shareholders to decide upon. The directors, however, did not consider the amount such as would render it desirable to declare a dividend, and recommended its being carried to the credit of the next half-yearly account.

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#### DUNDEE AND ARBROATH.

THE half-yearly meeting of this company was held on Wednesday, December 27, at Dundee, Mr. G. Armistead in the chair, when a dividend at the rate of 3 per cent. per annum for the half-year was adopted.

The report stated that a balance of 555*l.* was brought from last account and added to the gross revenue of 14,540*l.*, making 15,985*l.* From this was deducted 6,804*l.* for working expenses, and 1,289*l.* for rates and taxes, leaving 6,992*l.*, out of which 635*l.* was deducted for relaying a portion of the line, 637*l.* for interest on loans, and 1,667*l.* for dividend on the 5 per cent. guaranteed stock, leaving a surplus of 4,051*l.* The directors recommended a dividend on the 25*l.* shares at the rate of 3 per cent. per annum for the half-year, amounting to 3,000*l.*, and leaving 1,051*l.* to be carried to the next account. There was a decrease in the receipts as compared with the corresponding period of last year of 616*l.*, and in the working expenses of 172*l.* The goods traffic between Dundee and the Edinburgh, Perth, and Dundee line, *via* Broughty Ferry, had been withdrawn, and a decrease in the revenue was the consequence. This decrease, however, had to some extent been compensated by an improvement in the receipts for passengers and general goods traffic. The amount taken out of current revenue for this purpose was equal to 12*s.* 6*d.* per cent. upon all the ordinary stock of the company. The revenue since the 31st of October showed an increase over the corresponding period of last year of 104*l.*

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#### EAST ANGLIAN.

THE half-yearly meeting of this company was held at the London Tavern on Friday, March 30th, Mr. Bruce in the chair, and a dividend, as recommended in the following report, was agreed to.

The report said, "the traffic during the last half-year amounted to 22,550*l.* 9*d.*, and for the corresponding half of 1853 it amounted to 20,964*l.* 5*s.* 2*d.*, showing an improvement to the extent of 1,585*l.* 15*s.* 7*d.*; but the working expenses having been increased, by the high price of articles consumed by railways, from 42 per cent. in 1853 to 43*l.* 12*s.* 3*d.* per cent. in 1854, the net result is only 711*l.* 17*s.* in excess of the half-year ending 31st December, 1853. The net amount, after paying interest on bonds and A and B preference shares and stock, together with cost of stamps and bankers' charges on new bonds issued prior to January, is 1,002*l.* 1*s.* 9*d.*, which

enables the directors to pay a dividend on the C stock at the rate of  $2\frac{1}{2}$  per cent. per annum. The capital account showed that 1,638,872*l.* had been received, and 1,627,474*l.* expended, leaving a balance of 11,398*l.* The revenue account showed that 23,355*l.* had been received, and 9,834*l.* paid for working expenses, leaving a balance of 13,520*l.*

#### EASTERN COUNTIES.

THE half-yearly meeting of this company was held on Tuesday, 27th February, at the London Tavern, Mr. David Waddington, M.P., in the chair, when a dividend of 7*s.* per share was declared.

The report stated that the gross revenue for the half-year ending the 30th of June, 1854, was 565,649*l.*, and for the half-year ending the 31st December, 1854, 633,182*l.* The increase of traffic is therefore 77,533*l.*, which has been earned with an increase in the expenditure of only 8,772*l.*, thus reducing the rate for the working expenses from 48 per cent. on the previous half-year to 43 per cent. on the past half-year. The net revenue to the credit of the Eastern Counties Company for the past half-year is 239,527*l.*, from which has to be deducted interest on mortgages and preferential stocks amounting to 132,357*l.*, leaving 107,171*l.*, which, together with the balance of 6,562*l.* from the previous half-year, makes a total of 813,433*l.* applicable to dividend, out of which the directors have declared a dividend of 7*s.* per share, carrying over 11,642*l.* to the credit of the current half-year. The directors, with the view of meeting the largely-increasing traffic, have ordered, or are constructing in the workshops of the company, 100 first, second, third, and composite carriages, 900 goods, timber, and coal trucks, 26 breaks, 17 goods engines, and 12 passenger engines. The percentage of the locomotives now in good working order is  $69\frac{1}{2}$  as compared with  $55\frac{1}{2}$  per cent. when the stock was last examined. The economical results of efficiency are not limited to the reduction of the consumption of coke and running expenses; for by this reduction the duration of several of the working parts of the engine is lengthened, as shown by an average increase of more than 25 per cent. in the number of miles a set of tubes have run during the last half-year over the average duty of a set of tubes in 1851. The rolling stock in the coaching department has since the last report been increased from 724 vehicles to 1,020, and in the merchandise from 3,616 to 5,744. In conclusion, it is stated that everything has been done to maintain the stock in good condition, and to insure a continuance of the economical working of the locomotive department. The auditors, Messrs. Reeves and Mayhew, report that the statements of capital and revenue are correct, that 207,552*l.* had been expended on capital account during the half-year, and that the bond debt account shows an increase of 220,900*l.* The capital account shows that 10,725,994*l.* had been received, and 10,678,624*l.* expended, leaving a balance of 47,370*l.* The revenue account for the half-year ending the 31st of December last shows that 633,182*l.* had been received, and 330,547*l.* expended, leaving a balance of 302,634*l.* Of this sum the Eastern Counties Company take 216,167*l.*, the Norfolk Company 43,233*l.*, and the Eastern Union 43,233*l.*

#### EASTERN UNION.

THE half-yearly meeting was held on Friday, February 23d, at Radley's Hotel, J. C. Oobbold, Esq., M.P., in the chair, when the following report was adopted:—

The traffic account of the united Eastern Railways shows a progressive increase; the net proportion of which, receivable by the Eastern Union Company for the last half-year, is 42,000*l.*, as compared with 38,315*l.* 8*s.* for the half-year ended 30th June last, and with 28,055*l.* 12*s.* 7*d.* for the corresponding period of 1853, the last half-year of the working of your lines prior to the arrangement between the companies coming into operation. The fixed liabilities and current expenses chargeable to revenue for the half-year amount to 30,727*l.* 6*s.* 10*d.*, leaving a surplus of 6,472*l.* From the accounts, it appears there have been received on account of the main line, as capital, 2,671,448*l.* 1*s.* 10*d.*, and expended 2,629,792*l.* 6*s.* 1*d.*, leaving a balance of 41,656*l.* 15*s.* 9*d.* The estimated liabilities of the company amount to 493,000*l.*, and

the assets to only 93,803*l.* 16*s.* The receipts on the Harwich capital account have been 155,786*l.* 5*s.* 9*d.*, and the expenditure 155,650*l.* 9*s.* 8*d.*, leaving a balance at the banker's of 135*l.* 16*s.* 1*d.* The earnings for the half-year just passed are estimated at 43,200*l.*, and the charges 54,897*l.* 17*s.* 3*d.*, showing a deficit of 11,697*l.* 17*s.* 3*d.*, thereby placing the company in a better position than at the close of the previous half-year by 6,472*l.* 13*s.* 2*d.*, the deficit then carried forward, and, therefore, charged against the half-year just ended, being 18,170*l.* 10*s.* 3*d.* The estimated liabilities on revenue account are 68,148*l.* 7*s.* 3*d.*, and the assets 56,450*l.* 10*s.*

#### EDINBURGH AND GLASGOW.

THE half-yearly meeting of the Edinburgh and Glasgow Railway Company was held on Tuesday, March 20, in Glasgow, Peter Blackburn, M.P., chairman of the company, in the chair, when a dividend at the rate of 3 per cent. per annum was agreed to.

The report stated that the net revenue for the half-year, exclusive of the Stirling and Dunfermline, is 34,594*l.* 7*s.* 11*d.*, from which the directors recommend payment of the usual dividend of 3 per cent. per annum, or 33,350*l.* 12*s.* 6*d.* The net revenue of the Stirling and Dunfermline is 7,601*l.* 10*s.* 7½*d.*, which the directors proposed to carry to the rest, along with the remaining balance of 1,243*l.* 15*s.* 5*d.*

#### EDINBURGH, PERTH, AND DUNDEE.

THE half-yearly meeting was held at Edinburgh, on Wednesday, February 28, Mr. Balfour, of Balbirnie, in the chair, when a dividend in accordance with the following report was adopted:—

The report stated that the revenue had been 79,564*l.* and the expenditure 44,995*l.*, leaving of net revenue, divisible in terms of the Arrangements Act, the sum of 34,569*l.* 8*s.* 11*d.*, adding the surplus of the previous half-year, 416*l.* 0*s.* 2*d.*, makes a total of 34,985*l.* 9*s.* 1*d.* By the Arrangements Act this sum is divisible in the following order:—Half-year's interest on first-class debentures, inclusive of debentures issued and to be issued for land claims, 16,636*l.* 11*s.* 5*d.*; half-year's interest on debt to banks, represented by second-class debentures, and on debenture debt to ordinary creditors, 8,758*l.* 1*s.* 3*d.*; half-year's dividend on Granton preference stock, at 4 per cent., less income tax, 1,840*l.* 7*s.* 10*d.*; half-year's dividend on 5*l.* preference stock, at 4 per cent., less income-tax, 4,550*l.* 9*s.* 10*d.*; surplus, 3,199*l.* 18*s.* 9*d.* This surplus of 3,199*l.* 18*s.* 9*d.*, the directors have set aside to meet contingencies.

#### FURNESS.

THE half-yearly meeting of the proprietors was held at Park-place, St. James's-street, on Tuesday, February 20, the Earl of Burlington in the chair, when a dividend, in accordance with the following report, was agreed to:—

The report congratulated the shareholders on the improvement that had taken place in the revenue of the company, and recommended a dividend of 6 per cent. per annum for the last half-year. The increase in the traffic was a satisfactory test of the continued prosperity both of the company and of the Furness district. The iron ore conveyed on the line in 1853 was 225,917 tons, which had increased in 1854 to 332,673 tons. The passengers had increased from 95,701 in 1853 to 145,261 in 1854, while the general local traffic had nearly doubled, showing the tons carried to have been 22,363 in 1853, and 40,731 in 1854. The traffic on the Ulverston extension, recently opened, had equalled the expectations entertained. The receipts in 1853 were, 31,302*l.*, and in 1854, 44,809*l.*; while the working expenses had been proportioned to previous years. The sum of 37,596*l.*, expended during the past half-year on capital account, had been rendered necessary to complete the Ulverston extension and the additional works at Barrow, to meet the increased traffic, and included 6,800*l.* for new engines and carriages. The Barrow

Harbour commissioners had agreed to pay interest at 5 per cent. on 2,933*l.* expended on steamboats, and to take their management and repair. To meet this expenditure, shares to the extent of 25,000*l.* had been issued, part of 50,000*l.* authorised to be raised. It was now proposed to obtain powers from Parliament this session to raise an additional sum of 75,000*l.*, for the purpose of a loan to the Barrow Harbour commissioners to carry out improvements in the harbour, to widen the Lindal Tunnel, give a second line between there and Crooklands, and increase the sidings, stations, and rolling stock to meet the augmenting traffic.

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#### GLASGOW AND SOUTH-WESTERN.

THE half-yearly general meeting of the shareholders in this company was held on Wednesday, March 7, in the Merchants' Hall, Glasgow, the Hon. A. Orr, Lord Provost, in the chair. A dividend of 3½ per cent. was declared.

The report stated that the receipts for the half-year ending the 31st of January, including those for the Ardrossan line, amounted to 146,881*l.*, and the working expenses, interest, &c., to 86,862*l.*, leaving 60,019*l.*, to which is added 1,552*l.*, from the last account, making 61,571*l.* The guaranteed dividends amounted to 10,156*l.*, leaving a disposable balance of 51,415*l.* The directors recommended a dividend at the rate of 3½ per cent. per annum for the half-year on the ordinary stock, leaving a balance of 2,938*l.* to be carried forward. The board expect that the Ayr and Dalmellington railway will be completed in November next, and the Maybole line in December. The total expenditure on capital account amounts to 4,327,594*l.* including 180,677*l.* invested in the stocks of other companies. The expenditure exceeds the receipts by 86,093*l.*

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#### GREAT NORTHERN.

THE half-yearly meeting was held on Wednesday, February 28th, at the Albion Tavern, Aldersgate-street, Mr. Denison, M.P., in the chair. Dividends in accordance with the following report were agreed to.

The report stated that, after payment of the fixed charges and the several classes of preference dividends, the balance available for dividend on the ordinary stock, and on the B and A stocks, is 138,280*l.*, being sufficient to pay 5½ per cent. per annum, or 2*l.* 17*s.* 6*d.* for the half-year; on the B stock, 3*l.* 5*s.* per cent. for the half-year; and on the A stock, 2*l.* 10*s.* per cent. for the half-year, leaving a balance of 38*l.* The dividend for the year 1854 amounted to 4*l.* 5*s.* per cent. on the ordinary stock, to 6*l.* per cent. on the B. stock, and to 2*l.* 10*s.* per cent. on the A stock. The directors feel justified in stating their confident belief that the prospects of the company are good, and that the property of the proprietors is in a sound and safe condition. The directors have issued, rateably to the proprietors of the various stocks of the company, scrip for 80,000 shares at 12*l.* 10*s.* each (1,000,000*l.*), bearing a preference dividend of 5 per cent., and redeemable at any time after six months' notice at a premium of 5*l.* for each 100*l.* stock, on the stock being paid off: 66,000 of the shares have been taken up, and 305,000*l.* paid on them. The necessary bill has been presented to Parliament to sanction this further capital. An arrangement has been come to with the Ambergate Company; the latter are to complete their line into and a station at Nottingham. The Great Northern are to work the Ambergate Railway, exclusive of the canals, at 30 per cent. of the gross earnings, if the traffic be less than 37,000*l.* a-year, or at 35 per cent. if it exceeds that sum. The agreement is to be for ten years, with power to the Great Northern Company to take the whole undertaking of the Ambergate at a fixed rental of 4 per cent. upon the capital within four years, or 4½ per cent. within nine years, or to amalgamate the two companies at par. The directors recommend the adoption by the proprietors of this agreement, which will insure to the Great Northern permanent access to Nottingham. Mr. Cubitt, the engineer, reports that the line is in substantial repair and good working order. The capital account shows that 10,855,835*l.* had been received, and 10,701,032*l.* expended, leaving a balance of 154,803*l.* The revenue account for the half-year ending the 31st of December last shows that

580,128*l.* had been received, and 273,358*l.*, or 47.12 per cent. expended, leaving a balance of 306,770*l.* The receipts during the past half-year, as compared with those of the corresponding period of 1853, show an increase of 92,807*l.*, and the expenses of 59,775*l.*, the increase in the net revenue being 33,032*l.* The gross earnings were equal to 4.34*s.* per train mile, and the expenses 2.04*s.*, showing a profit on the working of 2.30*s.* per train mile.

#### GREAT SOUTHERN AND WESTERN.

THE half-yearly meeting was held on Saturday, February 24th, at Dublin, Sir Edward M'Donnell in the chair, when a dividend at the rate of 4 per cent. per annum was declared.

The report stated that the total traffic receipts for the half-year ending the 31st of December last amounted to 150,978*l.*, and for the corresponding period of 1853 to 162,035*l.*, showing a decrease of 11,056*l.* The decrease in the passenger traffic amounted to 15,754*l.*, but there was an increase in the goods traffic of 3,119*l.*, and in the cattle traffic of 2,007*l.* The corresponding period of 1853 included the whole of the excursion traffic of the Exhibition year. As the receipts in the year 1854, compared with those of 1853, show a decrease of only 2,006*l.*, there is ample proof of the steady increase in the legitimate traffic of the line in all its branches. The revenue account shows that there is an available surplus of 57,058*l.*, out of which sum the directors recommend that a dividend be paid at the rate of 4*l.* per cent. per annum, free of income tax. There will then remain a balance of 7,058*l.*, of which sum they propose adding 3,000 to the reserve fund, and carrying the remainder to the credit of the next account. The length of line now worked and maintained is 273 miles. The capital account to the 31st of December shows that 4,067,920*l.* had been received, including 421,602*l.* on debentures, and 836,602*l.* on 4 per cent. preference shares. The expenditure amounted to 4,065,342*l.*, leaving a balance of 2,577*l.* The revenue account for the half-year ending the 31st December shows that 152,792*l.* had been received, and 62,569*l.* expended, leaving a profit on the working of 90,223*l.* To this sum is added 1,047*l.*, brought from the last account, making 91,270*l.* From this sum is deducted 9,767*l.* for interest on debentures, 9,291*l.* interest on 6 per cent. preference shares, and 16,198*l.* interest on 4 per cent. preference shares, leaving an available surplus of 57,058*l.* for dividend on the ordinary shares.

#### GREAT WESTERN.

THE half-yearly general meeting of the Great Western Railway Company was held at their Paddington station, on Thursday, February 15th, Mr. Charles Russell in the chair, when a dividend of 3*l.* per cent. per annum was agreed to.

The report of the directors stated that the capital account shows that 11,637,214*l.* had been received on shares, including 3,414,561*l.* on 4 and 4½ per cent. preference stock; 6,593,441*l.* on debentures, loans, &c.; and 2,709,970*l.* on securities on the Birmingham and Oxford, and Birmingham, Wolverhampton, and Dudley Railways; making the total receipt on capital account, 20,940,625*l.* The total expenditure amounted to 20,384,832*l.*, leaving a balance of 555,793*l.* The expenditure on the Great Western, Oxford, Berks and Hants, Windsor, and other lines, and for locomotive stock, amounted to 10,493,230*l.*; the payments on account of estimated liabilities existing on the 31st of December, 1849, to 263,213*l.*; on the Oxford and Rugby Railway, 1,281,560*l.*; on the Birmingham and Oxford Railway, 3,069,053*l.*; on the Birmingham, Wolverhampton, and Dudley, 1,782,943*l.*; on the Wilts, Somerset, and Weymouth (partially opened), 608,094*l.*; on lines in course of construction—namely, the Uxbridge, 42,641*l.*; Henley, 5,409*l.*; and Didcot deviation, 24,996*l.*; in subscriptions to the South Wales, 581,000*l.*; to the South Devon, 225,000*l.*; to the Shrewsbury (Lines Amalgamation Act), 25,778*l.*; expenditure on the Gloucester and Dean Forest Railway, 100,766*l.*; on the Paddington Hotel, 55,634*l.* The interest on the following amounts is borne by revenue, namely—545,000*l.* in respect of the Wilts, Somerset, and Weymouth Railway; 183,857*l.*, Oxford, Worcester, and Wolverhampton Railway; 48,562*l.*, Cornwall Railway;

10,000*l.*, Wycombe Railway; 12,500*l.*, Plymouth Great Western Docks; 34,370*l.*, North Metropolitan Railway; 500,407*l.*, on new rolling stock; 411,829*l.*, on the new station at Paddington; and 71,985*l.*, on additional houses, workshops, &c., at Swindon; new works at Bull's-bridge, and new station accommodation; making the total expenditure, as above, 20,384,832*l.* The revenue account for the half-year ending the 31st of December last shows that 648,661*l.* had been received, including 387,783*l.* for passengers; 196,088*l.* for merchandise, cattle, &c.; 7,050*l.* for rent from Bristol and Birmingham Railway; 11,095*l.* for use of plant by other companies; 3,039*l.* interest on cash balances; and 4,917*l.* for rents and registration fees. The expenditure during the same period amounted to 264,734*l.*, including 14,279*l.* for Government duty, 12,765*l.* rates and taxes, and 3,500*l.* for Parliamentary and legal expenses, leaving a balance for the half-year of 383,927*l.* To this sum is added 15,699*l.* brought from the last account, and 2,227*l.* received for dividends on the South Devon and Gloucester and Dean Forest Railway shares, making together 401,853*l.* Out of this sum the following amounts are deducted—namely, 365*l.* for additions to works on lines opened, 16,482*l.* annuities of 4 per cent. per annum guaranteed to shareholders of the Wilts, Somerset, and Weymouth Railway; 1,328*l.* interest on Berks and Hants Extension shares; 5,715*l.* rent of Gloucester and Dean Forest Railway (on 254,000*l.* at 4½ per cent. per annum), 1,286*l.* rent-charge on Paddington estate; 1,500*l.* proportion of rent of the Wycombe Railway, from the opening on the 1st of August to the 31st of December last; 4,230*l.* appropriated against any loss on the lease of the South Wales Railway to the 30th of June, 1854; 74,909*l.* interest on preference stock; and 131,905*l.* balance of interest paid on loans—together, 237,720*l.*, leaving a disposable balance of 164,133*l.* The sum estimated to meet the claims of the Shrewsbury and Chester and Shrewsbury and Birmingham shareholders for the half-year ending the 31st of December last, is 27,000*l.*; and the amount estimated to meet the deficiency under the South Wales lease to December, 1854, is 8,000*l.*, making together 35,000*l.* This sum is deducted from the disposable balance of 164,132*l.*, leaving 129,132*l.* for dividend on the ordinary stock, 8,236.276*l.* A dividend at the rate of 1½ per cent. for the half-year on that amount would absorb 123,544*l.*, and leave a balance of 5,588*l.* The debenture statement shows that 9,303,411*l.* had been raised by the company on various securities to the 31st of December last; of which amount the sum of 3,508,786*l.* was borrowed at 5 per cent.; 897,620*l.* at 4½ per cent.; 1,586,393*l.* at 4½ per cent.; 40,500*l.* at 4½ per cent.; 1,967,880*l.* at 4 per cent.; 331,725*l.* at 3½ per cent.; and 970,507*l.* at 3½ per cent. per annum.

#### HULL AND SELBY.

THE half-yearly meeting of the shareholders of this railway was held on Saturday, February 17, in the Station Hotel, Hull, when dividends were declared in accordance with the following report:—The accounts for the half-year showed a balance of 32,748*l.* 19*s.* 1*d.*, available for a dividend, and the directors recommended that a dividend of 2*l.* 9*s.* on each of the whole or 50*l.* shares; of 1*l.* 4*s.* 6*d.* upon each of the half or 25*l.* shares; and of 12*s.* 3*d.* on each of the quarter or 12*l.* 10*s.* shares (subject to income tax, at the rate of 1*s.* 2*d.* in the pound), to be payable on or after the 28th inst. A balance of about 449*l.* will then remain in hand. The Bridlington branch account showed a balance in hand of 80*l.* 14*s.*

#### IRISH SOUTH EASTERN.

THE seventeenth half-yearly meeting of this company was held in Dublin on Saturday, March 31, when a dividend of 2*s.* per share was agreed upon.

An increase in the receipts upon the whole year was reported, and the statement of revenue for the half-year ending December 31, 1854, was as follows:—To traffic, 6,141*l.* 0*s.* 10*d.*; transfer fees, amount to credit after payment of last year's dividend, and balance of interest account, 432*l.* 7*s.* 10*d.*—total, 6,573*l.* 8*s.* 8*d.* By amount for locomotive power, interest on government loan, salaries and incidental charges, 4,364*l.* 18*s.* 11*d.*; available surplus, 2,188*l.* 14*s.* 9*d.*—total, 6,573*l.* 8*s.* 8*d.*

**KENDAL AND WINDERMERE.**

THE half-yearly meeting of this company was held at Kendal on Thursday, January 25. The dividend declared was 6s. 3d. per share.

The report stated that the increase of income arising from passengers amounted to 273*l.*, as compared with the corresponding half-year of 1853. The increase in goods traffic was 85*l.*, and in rents 47*l.* The outgoings amounted to 9*l.* over those of the corresponding period of 1853. The balance of profits for the past half-year amounted to 396*l.* over those of the corresponding half-year of 1853. The traffic on the line for the year 1854 yielded a profit of 2,842*l.*, equal to 13s. per share per annum, and, deducting the dividend of 5s. per share, less income tax, already paid, leaves the sum of 1,758*l.* at the disposal of the proprietors. The directors suggested that a dividend of 6s. 3d. per share, less income tax, be declared, which would absorb 1,314*l.*, and leave a surplus of 408*l.* to be added to the reserved profits. The expenditure on capital account amounted to 213,174*l.* The gross receipts for traffic during the half-year ending the 31st of December last amounted to 7,008*l.*, and the working expenses to 2,825*l.*, leaving 4,183*l.* Out of this is deducted 2,460*l.* for interest on loans and preference shares, leaving 1,723*l.*

**LANCASTER AND CARLISLE.**

THE half-yearly meeting of this company was held on Wednesday, March 7, at Liverpool, Mr. E. W. Hassell in the chair, when a dividend in accordance with the following report was adopted.

The report stated that the receipts for passenger traffic were rather in excess of those for the corresponding period of last year, but in the goods department there had been a falling off of about 6,000*l.* The traffic account showed the receipts to be 157,129*l.*, the expenditure 67,899*l.*, leaving a balance of 89,230*l.*, out of which the directors recommended a dividend to be paid at the rate of 7½ per cent. per annum, which, with the proportion payable to the Lancaster and Preston Company, and the interest of loans, would require 86,136*l.*; and, after adding 3,000*l.* to the renewal fund, a balance of 205*l.* would remain to be carried to next account.

**LANCASHIRE AND YORKSHIRE.**

THE half-yearly meeting of the above company was held on Wednesday, March 7, at the Palatine Hotel, Manchester, Mr. H. W. Wickham, chairman of the company, presiding. A dividend of 2 per cent. for the half-year was agreed to.

The report of the directors stated the capital account at 12,301,856*l.* The gross expenditure on capital account during the half-year has amounted to 277,692*l.* 0s. 3d. The loan statement shows that an amount of 231,911*l.* has been borrowed or renewed during the half-year; that an amount of 188,826*l.* has been paid off or transferred during the same period, and that the company's total mortgage debt amounted, on the 31st December last, to 2,791,526*l.* 6s. 3d. The average rate of interest was 4*l.* 3s. 6d. per cent. The balance of revenue applicable to the payment of interest and dividend and other fixed charges is 322,247*l.* It is recommended that a dividend, at the rate of 4 per cent. per annum, less income tax, be declared, leaving a surplus of 20,130*l.* 18s. 3d. to be carried forward to the next account.

**LONDON AND BLACKWALL.**

THE half-yearly meeting of this company was held on Tuesday, February 20, at the London Tavern, Mr. J. N. Daniell in the chair. A dividend of 4s. 6d. per share for the half-year was declared.

The report stated that the receipts on the revenue account for the half-year ending 31st December last, with the balance of 938*l.* 19s. from the previous account, amount to 44,337*l.* 6s. 7d., and the expenditure to 17,251*l.* 19s. 4d., leaving a profit

of 27,085*l.* 7*s.* 3*d.*; and, after providing for interest on debentures, amounting to 2,145*l.* 13*s.* 4*d.*, there remains a net balance of 24,939*l.* 13*s.* 11*d.* for division amongst the shareholders. Out of this sum, the directors recommended the payment of a dividend of 4*s.* 6*d.* per share, which will leave 385*l.* 4*s.* 5*d.* to be carried to account in the current half-year. A comparison of the revenue account with the corresponding period of 1853 will show that there is an increase in the receipts of 3,266*l.* 2*s.* 10*d.*, and in the expenditure of 1,589*l.* 2*s.* 3*d.*; the passenger-traffic during the two half-years having been as follows, viz.:—1853, passengers, 3,697,827; amount, 35,429*l.* 13*s.* 1*d.*; 1854, passengers, 4,072,275; amount, 39,535*l.* 4*s.* 2*d.* The increased expenditure is owing to the enhanced price of materials, and to the additional staff and accommodation required for the different companies using this line. The improvement in the receipts has not been so remunerative as might have been anticipated; but there can be no doubt that the various sources of traffic for which the additional space at the Fenchurch-street terminus has been made available, will be developed as the season advances. From the traffic of the Tilbury and Southend Railway during the half-year, the net receipts have been 3,154*l.* 4*s.* 2*d.*; and considering that this is the result of the first season's working, and that the line is only partially opened, it cannot be deemed otherwise than satisfactory.

#### LONDON AND BRIGHTON.

THE half-yearly meeting of proprietors was held on Monday, January 29th, at the Bridge House Hotel, London Bridge, Mr. S. Laing, the chairman of the company, presiding, when a dividend of 3*l.* 4*s.* for the half-year was agreed to.

The report stated that the capital raised to the 31st of December last was 7,690,365*l.*, consisting of 1,837,085*l.* mortgage debt, 1,237,648*l.* preference capital, and 4,615,634*l.* consolidated stock. The total amount expended during the half-year has been 90,503*l.*, of which 33,834*l.* has been expended on the fourth line, the Crystal Palace branch, and the London Bridge terminus; 33,124*l.* on additional plant, and the remainder on works necessary for the safety and convenience of the general traffic. The large increase of traffic has shown the absolute necessity of the additional works and plants which have been provided; and a simple statement of the fact, that the gross income of the company has increased from 403,408*l.* in 1848 to 715,136*l.* in 1854, affords the best explanation of the increase of capital. Of the 252,000*l.* new 5 per cent. stock, 200,050*l.* has been raised, leaving 51,950*l.* still to be appropriated; and 49,385*l.* by mortgage, out of 107,070*l.* The balance of unexpended capital, applicable to further works, is therefore 109,635*l.* The gross revenue for the half-year has been 396,442*l.*, showing an increase of 31,726*l.* over the corresponding half-year of 1853. Of this increase, 3,005*l.* arises from goods traffic, and 27,791*l.* from passenger traffic, of which 24,916*l.* arises from the Crystal Palace traffic. The receipts for the half-year ending 31st December last amounted to 384,319*l.*, and for the corresponding period of 1853 to 353,927*l.*, showing an increase of 30,392*l.* The total expenses amounted to 177,336*l.* against 148,341*l.* in 1853, showing an increase of 28,995*l.* With respect to the large increase of expenditure, it is stated that the working of the Crystal Palace traffic has, of course, been attended with new and distinct expenses, which, since its opening on the 10th of June, have amounted to 15,000*l.* The remaining excess of expenditure is accounted for mainly by two causes—namely, firstly, that the repairs and renewals of rolling stock have been very extensive, in order to keep pace with the demands of the increasing traffic—no less than five new engines have been built, at the cost of revenue, during the past year; secondly, in a still greater degree, that the effect of the high prices of coal, coke, iron, timber, and all other articles required for railway purposes, and of the general rise in the wages of labour, have now been fully experienced for the first time. In the article of coke alone, the increased expenditure, as compared with the corresponding period of 1853, has been not less than 5,537*l.* A comparative statement of the traffic on the line shows that in the year 1848 the traffic amounted to 453,408*l.*, including 349,977*l.* for the conveyance of 2,485,778 passengers, 10,427*l.* for season tickets, and 61,493*l.* for goods traffic; and in 1854 the total receipts amounted to 715,136*l.*, including 492,434*l.* for the



conveyance of 6,359,533 passengers, 82,664*l.* for season tickets, and 131,800*l.* for goods, showing an increase of 261,728*l.* in the course of six years. During this period the mileage of the passenger trains increased from 904,625 in 1848 to 1,323,074 miles in 1854, and the mileage of the goods trains from 214,688 to 611,890 miles. The total expenditure increased from 187,087*l.* in 1848 to 324,670 in 1854, showing an increase of 137,583*l.* in the expenditure during the six years, including an increase in the taxation from 39,955*l.* to 44,247*l.* The total charge for mortgage debt and guaranteed capital amounted to 104,041*l.* in 1848, and to 136,913*l.* in 1854, and the dividend from 3*l.* 12*s.* per cent. in 1848 to 5*l.* 10*s.* per cent. in 1854. The total direct receipts from the Crystal Palace traffic, since its opening on the 10th of June to the end of the year, have been 37,938*l.* and the total expense of conducting the traffic 15,000*l.*, leaving the net profit of 22,938*l.* The total expenditure of capital on the Crystal Palace branch, and for purposes applicable to the Crystal Palace traffic, including the rolling stock, may be estimated as not exceeding 200,000*l.* The amicable relations with neighbouring railway companies continue undisturbed. The net amount at the credit of revenue for the half-year is 219,415*l.*, the interest on mortgage debt 37,314*l.*, dividend on preference capital 131,950*l.*, benevolent and insurance funds 2,000*l.*, leaving a balance of 148,151*l.*; out of which the directors recommend a dividend of 3*l.* 4*s.* per cent. for the half-year, amounting to 147,700*l.*, leaving a balance of 451*l.*, and making the total dividend for the year 5½ per cent.

#### LONDON AND GREENWICH.

THE half-yearly meeting of this company was held on Tuesday, January 9, at the offices, Coleman-street, Mr. J. Wilson in the chair. A dividend of 5*s.* 3*d.* per share, free of income tax, was declared.

The accounts showed that the receipts for the half-year ending the 31st of December last, amounted to 22,995*l.* including 277*l.* from the last account, and 22,500*l.*, the half-year's rent of the railway received from the South Eastern Company. The payments amounted to 11,429*l.*, including 4,700*l.* for interest on loans, and 5,568*l.* for interest on preference shares, leaving a balance of 11,566, out of which it was proposed to declare a dividend of 5*s.* 3*d.* per ordinary share, free of income tax.

#### LONDON AND NORTH WESTERN.

THE half-yearly meeting of this company was held at the Euston Station, on Friday, February 23, the Marquis of Chandos in the chair, when a dividend of 2*l.* 10*s.* per cent. for the last six months, amounting to 557,531*l.* 18*s.* 3*d.*, leaving a balance of 71,270*l.* 11*s.* 3*d.* to be carried forward to the next half-year's account, was agreed to.

The report stated that the capital account shows that 21,881,009*l.* had been received on shares, 10,432,777*l.* by loans on debentures, 402,830*l.* on debenture stock Three-and-a-half per Cents., and 57,936*l.* by calls paid in advance—total, 32,744,552*l.* Upon the whole of this amount, interest and dividend is charged to revenue. The expenditure on the stock in hand and works, the property of the company, amounted to 23,347,708*l.*; on carrying stock, 2,777,407*l.*; on estate of the company in lands and buildings yielding rent, 339,484*l.* On the Coventry and Nuneaton line the company have expended 304,298; West London, 68,248*l.*; making a total expenditure of 26,837,143*l.* To this is to be added the expenditure on the following lines, in which the company have an interest, viz., Lancaster and Carlisle, 350,000*l.*; Caledonian, 143,784*l.* 3*s.* 8*d.*; Scottish Midland, 95,779*l.* 9*s.* 3*d.*; Shropshire Union, 165,383*l.* 17*s.* 3*d.*; Manchester and South Junction, 357,670*l.* 18*s.* 2*d.*; South Staffordshire, 190,715*l.* 17*s.* 9*d.*; Manchester and Buxton, 55,705*l.* 11*s.* 10*d.*; Chester and Holyhead, 1,472,112*l.* 4*s.* 2*d.*; ditto advances, 304,954*l.* 17*s.*; North London, 557,719*l.* 16*s.*; ditto advances, 104,125*l.* 12*s.* 2*d.*; Buckinghamshire, 376,739*l.* 10*s.* 1*d.*; ditto works, 151,649*l.* 7*s.* 9*d.*; Birmingham, Wolverhampton, and Stour Valley, 197,348*l.* 10*s.*; ditto works, 542,487*l.* 19*s.* 7*d.*; Hampstead Junction, 55,929*l.* 15*s.* Making a total expenditure on capital account of 31,959,244. To

balance, 815,308*l.* The revenue account for the half-year ending December 31, 1854, shows that 1,449,573*l.* had been received from traffic, including 788,253*l.* from passengers, parcels, stores, and mails, and 682,201*l.* from coal and live stock; 4,749*l.*, interest on cash balances; 14,587*l.*, rents and transfer fees; 990*l.*, Huddersfield Canal; 7,014*l.*, North Union Railway; and 47,029*l.*, estimated dividend from Lancaster and Carlisle, Chester and Holyhead, South Staffordshire, Manchester and South Junction, North London, Caledonian, and Scottish Midland Railways. Total receipts, 1,523,945. The expenditure during the same period amounted to 892,565*l.*; balance brought down, 631,380, less 43,775*l.* for renewal of rails=587,604, balance of revenue account. The following is the dividend as proposed for the half-year ending 31st December, 1854, at 5 per cent. per annum:—19,858,352*l.*, consolidated stock, at 5 per cent., 496,458*l.* 16*s.*; 30,967 London and Birmingham 20*l.* shares, less interest on 4*l.* uncalled, 10,580*l.* 7*s.* 10*d.*; 57,649 Manchester and Birmingham 10*l.* C shares, less interest on 4*l.* 10*s.* uncalled, 4,100*l.* 7*s.* 11*d.*; 244,368 12*l.* 10*s.* shares (4 per cent. on 2*l.* 10*s.* called), less 26,071 unissued, 10,914*l.* 17*s.*; capital of Huddersfield and Manchester, and Leeds and Dewsbury, less 3-10ths, 28,727*l.* 9*s.* 6*d.*; 27,000 Coventry and Nuneaton stock at 5 per cent., 6,750*l.*—total applied to dividend, 557,531*l.* 18*s.* 3*d.* The disposable balance of the general balance sheet being 628,802*l.*; the balance to be carried forward to the next half-year is 71,273.

#### LONDON AND SOUTH WESTERN RAILWAY.

THE half-yearly meeting of the proprietors took place on Thursday, February 15th, at the company's new offices, Waterloo-bridge Station, Mr. W. J. Chaplin, M.P. in the chair, when a dividend at the rate of 5 per cent. was declared, and the directors were authorised to pay the call of 2*l.* 10*s.* on the North Devon shares.

The report stated that the half-yearly accounts show a net revenue for the six months ending December 31, 1854, after a deduction of interest on loans and all other preferential charges of 171,145*l.*, including a surplus of 197*l.* from June last. The directors recommended that a dividend for the half-year at the rate of 5 per cent. per annum be declared, amounting on 6,771,289*l.* to 169,282*l.*, leaving a balance of 2,663*l.* The dividends for the last five years have been, in each year, at the following ratio per cent.:—1850, 3½; 1851, 4½; 1852, 3½; 1853, 4½; and 1854, 4½. The increase in the gross revenue for the half-year over the same period in 1853 was 3,371*l.* The increase in the length of line open in the half-year ending 1854 over that of 1853 was 15 miles; in the miles run by the trains, 94,064; in the receipts for goods, 5,050*l.*; in sundries, 436*l.*; and in the total receipts, 3,372*l.*, there being a decrease in the passenger receipts of 2,114*l.* The increase in the working expenses amounted to 5,478*l.*, and in the taxation to 573*l.* The decrease in the net revenue amounted to 2,680*l.* The net revenue for the half-year ending the 31st of December last amounted to 226,395*l.*, against 229,075*l.* at the corresponding period of 1853. The extraordinary amount of traffic and unusually large receipts attributable to the camp at Chobham and the naval review, during the first eight weeks of the corresponding period of 1853, would account for the smaller receipts from passenger traffic in the past half-year. The receipts for the half-year ending December, 1853, exceeded those of 1852 by 53,295*l.*; and those ending December, 1854, exceeded those of 1852 by 56,667*l.* The directors have debited the revenue account for the last half-year with a sum of 2,500*l.* under the head of "Steampacket Renewal Fund," which they recommend to be done in every half-year for the future, to keep the boats in an efficient state. The works between Andover and Salisbury are proceeding in conformity with the contractor's engagements. The directors recommend that the sums expended during the year 1854, and standing to the debit of the two accounts, "Suspense Account Plant," 44,778*l.*, and "Extension of Stations and Sidings Suspense Account," 31,008*l.*, should be charged against the capital of the company; and they suggest that for the future the directors should take a vote as to any further sums which, on a proper explanation of the circumstances, the directors may deem it advisable to recommend to the shareholders should in like manner be charged to the capital account of the company. To enable the company to receive a dividend on the 7,080 North Devon Railway shares, it will be necessary that the call of 2*l.* 10*s.* due upon them should be

paid, making the total sum paid up 16*l.* per share. The capital account shows that 8,957,368*l.* had been received, and 8,889,041*l.* expended, leaving a balance of 68,327*l.* The expenditure on capital account during the half-year amounted to 47,661*l.*, out of which was deducted 18,822*l.*, received for the sale of land and materials, leaving the net expenditure under that head 28,839*l.* The length of line in operation is 267½ miles. The share capital entitled to dividend is 6,768,474*l.*, and the amount of loan entitled to interest 2,336,449*l.* The revenue account for the half-year ending the 31st of December last shows that 390,662*l.* had been received, and 164,266*l.* expended, including 20,575*l.* for Government duty, rates, and taxes, leaving a net balance of 226,395*l.*

#### LONDONDERRY AND ENNISKILLEN.

THE half-yearly meeting of this company was held on Saturday, March 31st, at their offices, Coleman-street Buildings, Mr. James Clay in the chair, when a dividend at the rate of 1½ per cent. per annum was agreed to.

The report stated that there is now 30,000*l.* of the new share capital not subscribed for, and the whole of the money is required to discharge the debts of the company, and to make the requisite additions to the rolling stock. The balance, 1,883*l.*, standing at credit of profit and loss, is sufficient to pay a dividend at the rate of 1½ per cent. per annum on the preference shares. It has been urged by some of the proprietors that, considering the present liabilities of the company, it would be advisable to forego the dividend upon the present occasion. The directors recommended that this dividend, when declared, should remain as a debt due to the shareholders until the new stock is paid up, and the debts of the company are discharged. The directors called the attention of the shareholders to the necessity of taking up their proportion of the remainder of the new stock, and thus to provide the funds requisite for developing the traffic and placing the company in a good position. The capital account shows that 589,190*l.* had been expended to the 31st of December last. The revenue account for the half-year ending the 31st of December states that 14,762*l.* had been received, and 9,002*l.* expended, leaving a balance of 5,760*l.*

#### LLYNVI VALLEY.

THE half-yearly meeting of this company was held on Friday, February 23, at the Great Western Hotel, Paddington, Mr. G. H. Kindersly in the chair, when a dividend in accordance with the following report was adopted:—

The report stated that the earnings for the half-year ending December 31, had been 4,276*l.* 15*s.*, being an increase of 109*l.* 14*s.* 7*d.* on those of the preceding half-year. The expenditure for the same period amounted to 2,504*l.* 14*s.* 5*d.*, being less by 74*l.* 3*s.* 4*d.* than the outlay of the first six months of the year. There was thus a net profit of 1,772*l.* 0*s.* 7*d.* on the half-year, which, with a balance of 128*l.* 16*s.* 10*d.*, brought down, gave a sum of 1,900*l.* 17*s.* 5*d.* available for a dividend, at the rate of 5 per cent. per annum upon the share capital of the company. That dividend would require 1,727*l.* for its payment leaving 273*l.* 17*s.* 5*d.* to be carried to the account of the current half-year.

#### MANCHESTER, BUXTON, MATLOCK, AND MIDLAND JUNCTION.

THE half-yearly meeting of this company was held on Wednesday, January 31, at the Midland Hotel, Derby, Sir Joseph Paxton, M.P., chairman of the board of directors, presiding. The usual dividend of 1*s.* 4*d.* per share for the half-year was declared.

The report stated that the capital account shows 216*l.* 6*s.* received for arrears of calls, and 100*l.* 12*s.* 8*d.* realised by the sale of old materials, during the half-year, and 1,070*l.* 10*s.* 11*d.* expended, the greater part of the latter amount being on account of the permanent stations now in course of erection, and the remainder

having been paid in settlement of claims which were outstanding against the company. The half-year's rent, amounting to 5,266*l.* 5*s.* has been received from the lessees, and the directors proposed to pay the usual dividend of 1*s.* 4*d.* per share for the half-year.

#### MANCHESTER, SHEFFIELD, AND LINCOLNSHIRE.

THE half-yearly meeting of this company was held on Friday, February 2, at Manchester, the Earl of Yarborough presiding, when a dividend at the rate of 6 per cent. per annum on the preference shares was agreed to.

The report stated that the accounts for the half-year show a total revenue of 273,894*l.*, and a total expenditure of 149,259*l.*, leaving a balance of 124,635*l.*, or, with the balance from the last half-year of 2,737*l.*, and of the stores account 3,812*l.*, a total sum of 131,185*l.* available for interest and dividend. The debenture interest and canal annuities amount to 69,064*l.*; the dividend on the 6*l.* preference shares to 23,650*l.*; and the dividend on the 10*l.* preference shares (which is at the rate of 7½ per cent. until July next, when the rate becomes 6 per cent.) will require 32,700*l.*, making a total preference charge of 56,350*l.* The directors, after a conference with the members of the late committee on preference arrears, have unanimously decided to recommend the shareholders to declare and pay the dividend on the 6*l.* shares as usual, and also to issue deferred dividend warrants, payable on the passing of the Preferential Arrears bill, for one half-year's dividend at the rate of 7½ per cent. per annum upon the 10*l.* preference shares, and of 2*s.* 6*d.* per 100*l.* stock, or at the rate of ½ per cent. per annum upon the No. 1 quarters and original stock of the company. After providing for these dividends, a balance of 660*l.* will remain for the next account. The capital account shows an increase of 78,989*l.* for new works which the proprietors have sanctioned, from which the proceeds for the sale of engines have been deducted. The increase in the number of engines repaired and renewed is 16; in the waggons, 378; in the steamboats, 5; and in the total expenditure under that head, 2,435*l.*, as compared with the corresponding period of the preceding year. In the charge to revenue for maintenance of permanent way is 4,134*l.* for renewal of road with sleepers and new rails. The company's railway traffic for the half-year ending the 31st of December last exhibits an increase of 26,980*l.*, or 13·81 per cent. over the corresponding half-year of 1853. The increase in the number of passengers was 89,507, and in the receipts 6,603*l.*; in the tonnage of goods 129,028 tons, and in the receipts 15,116*l.*; in the minerals 86,679 tons, in receipts 3,790*l.*; and in the parcels and mails an increase of 1,724*l.* The report adverts to the bills before Parliament, and to the friendly arrangements made with other companies for the interchange of traffic, and for the convenience of the public. The capital account shows that 8,177,785*l.* had been received, and 8,167,780*l.* expended, leaving a balance of 10,004*l.* The revenue account for the half-year ending 31st December last shows that 273,894*l.* had been received, including 38,255*l.* from the canals, and 149,259*l.* expended, leaving a profit on the working of 124,635*l.*

#### MIDLAND.

THE half-yearly meeting of this company was held at Derby on Wednesday, February 21st, Mr. Ellis presiding, when a dividend at the rate of 3½ per cent. per annum was agreed to.

The directors in their report stated that the share capital actually paid amounts to 15,156,760*l.*, and the receipts by debentures to 3,935,109*l.*—total receipts on capital account, 19,091,879*l.* The expenditure on the main and branch lines (including parliamentary expenses, rolling stock, &c.) has been 18,696,228*l.*, and on lines in which the company have an interest, 241,125*l.*; together, 18,937,353*l.*; less premium on shares sold, 20,844*l.*; total, 18,916,508*l.*; to balance, 175,370*l.* The revenue account of the half-year shows receipts thus composed:—By balance from former half-year, after payment of dividends, 10,432*l.*; by traffic, 751,080*l.*; receipts from North-Western line under working agreement, 13,281*l.*; rents, 11,292*l.*; interest on calls and balances, 5,422*l.*; dividends on shares held, 2,659*l.*;

transfer fees, 223*l.*; total receipts, 794,392*l.* The expenditure is thus distributed:— To maintenance of way and stations, 37,857*l.*; locomotive power, 134,282*l.*; to repairs and renewals of coaches, &c., 26,941*l.*; traffic expenses, 90,452*l.*; general charges, 11,095*l.*; compensation, 2,441*l.*; gas, 2,720*l.*; law, 4,882*l.*; rents, 7,246*l.*; rates and taxes and government duty, 24,230*l.*; permanent way renewal, 15,000*l.*; provision for increase of rolling stock, 6,250*l.*; bad debts, 594*l.*; debentures and loan interest, 79,609*l.*; interest on advances on shares, 1,402*l.*; interest on 5*l.* shares, 3,244*l.*; dividends on guaranteed stock and shares, 104,589*l.*; Manchester, Buxton, and Matlock deficiency, 1,424*l.*; redemption of mortgage debentures, 500*l.*; total disbursements, 554,764*l.*; disposable balance, 239,627*l.* The following is the dividend as proposed for the half-year ending December 31, 1854:— 9,129,859*l.* 9*s.* 7*d.* consolidated stock, including the 50*l.* shares, at 3*l.* 15*s.* per cent. per annum, 171,184*l.* 17*s.* 3*d.*; 901,191*l.* 13*s.* 4*d.*, being 11*l.* 13*s.* 4*d.* per share on 77,245 16*l.* 13*s.* 4*d.* shares (half-year on 8*l.* 13*s.* 4*d.*, and 153 days on 8*l.*), at 4*l.* 10*s.* per cent. per annum, 19,433*l.* 19*s.* 8*d.*; 978,533*l.* 9*s.* Birmingham and Derby stock, at 2*l.* 7*s.* 6*d.* per cent. per annum, 11,620*l.* 1*s.* 8*d.*; 25,000*l.* Midland preferential stock, at 6*l.* per cent. per annum, 750*l.*; 145,000*l.* Erewash Valley 50*l.* shares, at 6*l.* per cent. per annum, 4,350*l.*—total, 207,338*l.* 18*s.* 7*d.*

#### MIDLAND GREAT WESTERN (IRELAND).

THE nineteenth half-yearly meeting of this company was held in the board-room, in Dublin, on Friday, March 17th, Mr. John Ennis, chairman of the company, presiding. A dividend at the rate of 5 per cent. per annum was adopted.

The half-yearly statement of accounts showed that 56,672*l.* had been realised from the traffic, being an increase of 1,552*l.* as compared with the corresponding period of 1853. There has been a loss within the half-year upon the working of the Grand Canal, of 1,783*l.* 8*s.* 5*d.*; but inasmuch as this may in some measure be attributed to the severe competition which has existed between that navigation and the Great Southern and Western Railway, it is to be expected that no such item will again appear in the accounts. A remunerative scale of rates has been agreed upon between the two companies, hitherto so prejudicially competing. The directors, within the half-year, have paid the sum of 6,751*l.* 11*s.* 1*d.*, the parliamentary expenses incurred by the sessional contest of 1854. This is an exceptional charge, and cannot be said to affect the revenue of the half-year; and it was therefore proposed to place this item to the debit of the reserved fund. From the statement of the half-year's accounts, it appears that the net proceeds are 26,557*l.* 16*s.* 7*d.*; to which add the balance carried from last account, 6,425*l.* 19*s.* 10*d.*; showing a disposable balance of 32,983*l.* 16*s.* 5*d.* The directors recommended a dividend at the rate of 5 per cent. per annum (free of income tax) amounting to 23,217*l.* 12*s.* 8*d.*; leaving a surplus of 9,766*l.* 3*s.* 9*d.*, of which they suggested that 5,000*l.* be appropriated in aid of the reserved fund, and that the balance, 4,766*l.* 3*s.* 9*d.* be carried to the credit of the next half-year's account.

#### NEWPORT, ABERGAVENNY, AND HEREFORD.

THE half-yearly meeting was held on Wednesday, February 28, the Hon. W. E. Fitzmaurice in the chair, when a dividend at the rate of 3 per cent. per annum for the half-year was adopted. The report stated that on the 31st of December there was a balance of 12,723*l.* 0*s.* 5*d.* to the credit of the company.

#### NORFOLK.

THE half-yearly meeting of the proprietors was held on Wednesday, February 28, at the offices of the company, Lombard-street, Sir Samuel Morton Peto in the chair, when a dividend at the rate of 1*l.* 10*s.* per cent. was agreed to.

The accounts showed that one-seventh of the net receipts of the combined companies amounted to 34,233*l.* for the half-year, the interest on balances to 620*l.*, and

the balance from the last account to 10,221*l.*—together, 54,075. From this was deducted 9,914*l.* for dividend declared in August last; 1,681*l.* interest on mortgage debt; 26,093*l.* interest on guaranteed stocks; amounting, with other expenses, to 38,543*l.*, and leaving available for dividend, 15,532*l.*

#### NORTH AND SOUTH-WESTERN JUNCTION.

THE ordinary half-yearly meeting of the proprietors of this line was held on Tuesday, February 20, at the Euston-square Station, Mr. Henry Tootal in the chair, when a dividend at the rate of 4 per cent. per annum was agreed to.

The report stated that the receipts from the passenger traffic showed a steady increase, indicating that, with adequate facilities, much public convenience would be afforded, and that the revenue from that branch of the company's business would meet the expectations formed of it. The amount earned during the six months under review had exceeded the toll guaranteed by the London and North-Western and London and South-Western Companies by the sum of 491*l.* 3*s.* 1*d.* The result of the transactions for the period referred to was a net balance of 1,107. 7*s.* 9*d.*, a sum sufficient to pay a dividend at the rate of 4 per cent. per annum on the company's original share capital, as well as on the new share capital raised since the last half-yearly meeting, and leave a balance of 68*l.* 10*s.* 9*d.* to be carried to the account of the current half-year.

#### NORTH BRITISH.

THE half-yearly meeting of the shareholders of this company was held on Tuesday, March 20, at Edinburgh, Mr. Hodgson, of Carham, in the chair, when the following report was agreed to, and a dividend of 5*s.* 3*d.* per cent. for the half-year declared.

The traffic receipts for the half-year ending the 31st of January last amounted to 127,912*l.*, being an increase of 5,681*l.* over those of the corresponding period last year. The disbursements for the half-year amounted to 78,254*l.*, being an increase of 18,950*l.* over the corresponding period last year. The balance of net revenue from the previous half-year amounts to 1,526*l.*, which, added to 24,832*l.*, the net revenue of the past half-year, makes a total of 26,358*l.* From this sum is deducted 19,565*l.* for dividend on the preference stock, leaving a balance of 6,853*l.*

#### NORTH EASTERN,

THE half-yearly meeting of this company was held at the De Grey Rooms, York, on Friday, February 23rd, Mr. Harry S. Thompson, deputy chairman of the company, presiding, when the following dividends were declared, after the rate of 4 per cent. per annum on the Berwick stock; on the York stock, 2½ per cent. per annum; and 6 per cent. per annum on the first and second preference shareholders of the Leeds section of proprietors.

The directors in their report intimate that "the statements of the share and loan capital present the following results; the share capital, supposing the issued shares were paid-up in full, would be 16,200,195*l.* Of this the amount at the credit of the call account, and entitled to participate in dividends, is 13,587,340*l.* 4*s.* 8*d.*, consisting of 2,664,046*l.* 12*s.* 4*d.* guaranteed, and 10,923,293*l.* 12*s.* 4*d.* ordinary shares or stock. The amount raised on mortgage by the company, including the bond debts of the subsidiary lines, is 4,846,218*l.* 4*s.* 4*d.*, in addition to which there have been issued Great North of England purchase debentures to the extent of 1,725,058*l.* 15*s.*, but this last sum will be paid off in due course by the proceeds of calls on the Great North of England purchase shares. The total amount on which interest and dividends have to be paid is 20,158,617*l.* 4*s.* The expenditure on the construction account, comprehending liabilities on which interest is chargeable, as well as all actual payments, is 20,204,785*l.* 1*s.* 1*d.* In addition to this outlay, the company are lessees of the Hull and Selby Railway, the Hartlepool Dock and Railway, and the Great North of England, Clarence, and Hartlepool Junction

*Railway*, at an aggregate rent of 108,034*l.* 1*s.* 6*d.* The agreement with the Malton and Driffield Company specifies that their liabilities on capital account do not exceed 160,000*l.* Of this 80,000*l.* is provided by their debenture debt, and there is held in shares in the Thirsk and Malton line about 35,000*l.*, which will participate in the dividend payable out of half the net profits of that branch to the parties who undertook to join with this company in constructing it. According to the principle of the amalgamation, these liabilities must be provided for primarily by the North Eastern Company, but the interest upon them is a first charge upon the share of net receipts belonging to the Malton and Driffield section of proprietors. The sum divisible among the several classes of proprietors amounts to 412,929*l.* 4*s.* 2*d.*, and the separate revenue accounts of the Berwick and York sections show that, after defraying the preferential charges in each case, there are the means of paying a dividend on the Berwick stock and shares, at the rate of 4 per cent. per annum (122,065*l.* 12*s.* 3*d.*), and on the York stock and shares at the rate of 2½ per cent. per annum (44,245*l.* 0*s.* 2*d.*), leaving the balances of 3,375*l.* 12*s.* 2*d.* and 282*l.* 12*s.* 6*d.* respectively, to be carried forward to the credit of the same accounts in the next half-year. The balance on the half-year in favour of the Leeds section of proprietors is 17,227*l.* 16*s.* less the sum of 708*l.* 15*s.* due for interest on calls in advance. Out of this the directors recommend that a dividend at the rate of 6 per cent. per annum should be declared on the first and second preference shares (Preference Quarters and Extension Shares, 1848, Nos. 1, 2 and 3). The balance 7,665*l.* 18*s.* will be reserved, as also the balance of 15,506*l.* 8*s.* 8*d.* brought forward, after payment of the dividend, from the last half-year's account. The directors greatly regret that the obstacle still exists which prevented the proprietors at the last half-yearly meeting from declaring a dividend on any other portion of the Leeds capital stock, the suit instituted by some of the preference shareholders, to determine the respective rights of themselves as against the ordinary shareholders, being still pending.

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#### NORTHERN AND EASTERN.

THE half-yearly general meeting of this company was held on Wednesday, February 14th, at the Eastern Counties Railway terminus, Bishopsgate-street, Mr. Richard Paterson, the chairman of the company, presiding, when a dividend in accordance with the report was agreed to.

The report merely stated that the dividend on the respective shares of the company for the half-year ending the 31st of December last would become payable on and after the 26th, and would be, on shares guaranteed 5 per cent. per annum, 1*l.* 5*s.* each; and on shares guaranteed 6 per cent. per annum, 1*l.* 10*s.* each, both less property tax.

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#### NORTH LONDON.

THIS company held its half-yearly meeting at the Euston station, on Friday, February 23rd, Mr. John Scott in the chair, when a dividend of 2 per cent. for the half-year was agreed to.

The report stated that the net revenue available, after discharging every liability, amounting to 18,781*l.* 11*s.*, would leave a balance to the next account of 1,792*l.* 10*s.* 7*d.*

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#### NORTH STAFFORDSHIRE.

THE half-yearly meeting of this company was held on Tuesday, January 30th, at the railway station, Euston-square, Mr. J. L. Ricardo, M.P., in the chair, when a dividend at the rate of 3½ per cent. per annum was adopted.

The accounts showed the balance of the working of the railway for the half-year to be 65,800*l.* and of the working of the canals, 37,252*l.*—together, 103,052*l.* In the general revenue account the balance of interest on debenture debt for the half-year is stated at 24,341*l.*, and the dividend on canal capital, 29,250*l.* These payments leave a sum of 49,461*l.* 10*s.*, which gives a dividend at the rate of 3½ per cent. on 2,826,372*l.* 10*s.* of share capital.

OXFORD, WORCESTER, AND WOLVERHAMPTON.

THE ordinary half-yearly meeting of this company was held at the London Tavern on Wednesday, February 21st, Lieutenant-Colonel Rushout, M.P., the chairman of the company, presiding, when a dividend after the rate of 6 per cent. per annum was agreed to.

The report stated that the expenditure on capital account during the half-year amounted to 77,000*l.*, of which 34,000*l.* has been spent in providing working stock. The number of engines now employed is 42, which will be increased to 58. The revenue shows a gross receipt of 90,000*l.*, being at the rate of 1,000*l.* per mile, or nearly 40*l.* per mile per week, and this has been obtained upon a line 93 miles in length, of which 27 are single, and without adequate working stock. The working expenses amounted to 54 per cent. of the receipts, but the causes of this increased cost of working, as compared with former half-years, are in course of being removed. The net revenue at the disposal of the proprietors will suffice to pay the full rate of 6 per cent. per annum for the half-year on the first preference stock, leaving a small balance for the next account. The capital account shows that 3,546,232*l.* had been received, and 3,355,897*l.* expended, leaving a balance of 190,335*l.* The revenue account for the half-year ending the 31st of December shows that 90,235*l.* had been received, and 48,490*l.* expended, leaving a balance of 41,745*l.*

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ROYSTON AND HITCHIN.

THE half-yearly meeting of this company was held at the offices on Thursday, February 22, Mr. W. Reid presiding, when a dividend at the rate of 6 per cent. per annum on the stock was declared, subject to the deduction of the income tax, and 1½*d.* per share for the expenses of management, in accordance with arrangements at previous meetings.

The report stated that, since the last meeting, further stock had been exchanged for that of the Royston, Hitchin, and Shepreth Company, and there now remained to be exchanged further stock representing 49,856*l.* 5*s.*

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SCOTTISH CENTRAL.

THE half-yearly meeting of this company was held on Thursday, March 22, at Perth, Mr. J. C. Dundas in the chair, when a dividend at the rate of 5 per cent. per annum was declared.

The report states that the total amount expended on capital account during the past half-year was 19,349*l.* The increase in the traffic receipts for the half-year amounted to 7,190*l.*, and in the expenses to 3,825*l.*, as compared with the corresponding period of the preceding year, showing an increase in the net traffic of 3,365*l.* The gross receipts for the half-year ending the 31st January last amounted to 65,698*l.*, and the expenses, including preference charges, to 38,982*l.*, leaving a balance of 26,716*l.* Out of this sum the directors recommend a dividend at the rate of 5 per cent. per annum on the consolidated stock of the company, payable on the 5th of April, amounting to 25,500*l.*, and leaving 1,216*l.*, which, added to the surplus from the July account, increases the balance to 5,512*l.* The dividend of 4*s.* 2*d.* per share on the preference stock will be paid at the same time. The receipts for passenger traffic amounted to 6*s.* 2*d.*, and for goods traffic to 4*s.* 8*d.* per train mile. The gross revenue for the half-year ending January 31, 1852, amounted to 47,332*l.*; January 31, 1853, to 54,511*l.*; January 31, 1854, to 58,507*l.*; and January 31, 1855, to 66,012*l.*, showing an increase of 15, 23½, and 40 per cent. respectively, being a proof of the steady and increasing prosperity of the line. The expenditure on capital account amounts to 1,782,884*l.* The revenue account showed that 65,698*l.* had been received during the half-year, and 26,841*l.* expended, showing a profit on the working of 88,857*l.*

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## SCOTTISH MIDLAND JUNCTION.

THE half-yearly meeting of the shareholders of this company was held at the General Station, Perth, on Tuesday, March 20th, Mr. John Stirling, in the chair. The dividend declared was at the rate of 3 per cent. per annum.

The report stated that the expenditure under the head of capital amounts to 4,507*l.*, of which 3,636*l.* has been expended on waggons. The increase in the revenue enables the directors to recommend a division at the rate of 3 per cent. per annum, being the usual increase of a quarter per cent. over the last half-year. The gross receipts for the half-year ending the 31st of January last amounted to 24,127*l.*, being an increase of 3,565*l.* over those of the corresponding period of the preceding year. The working expenses and other charges amounted to 14,546*l.*, leaving a balance of 9,581*l.* The dividend, at the rate of 3 per cent. per annum, will absorb 8,815*l.*, and leave 765*l.* to be carried to the reserve, which will then amount to 4,221*l.* The gross traffic on the line has risen from 23,243*l.* in the year ending January, 1851, to 44,145*l.* in the year ending January last, showing an increase of 89 per cent. At the former period no dividend was paid, but in the last year 17,250*l.* was available for that purpose. The expenditure on capital account amounts to 717,978*l.*

## SHREWSBURY AND HEREFORD.

THE half-yearly meeting of this company was held at Shrewsbury, on Friday, February 6th, Mr. Ormsby Gore, M.P., in the chair. A dividend of 4 per cent. per annum was declared.

The report stated that the traffic receipts during the last six months, ending the 31st December last, contrast favourably with the receipts of the preceding six months, ending the 30th June, the average weekly receipts for these periods being, for the half-year ending the 30th June, 806*l.* 15*s.*, or 15*l.* 16*s.* per mile, and for the half-year ending the 31st December, 1,147*l.* 15*s.*, or 22*l.* 10*s.* per mile. This increase in the receipts being chiefly derived from local resources, proves, in the most satisfactory manner, the value of the property, and affords promise that the dividends now guaranteed by Mr. Brassey, at 4 per cent. per annum, will exceed this amount when the proprietors shall share with the lessee, in 1858, a moiety of the surplus profits. The directors have received the rent for the half-year ending 31st December, 1854, and they recommend that a dividend after the rate of 4 per cent. per annum (less income tax) be declared payable on the 15th February. The expenditure of capital during the last six months, ending the 31st December, 1854, amounts to 10,510*l.* 8*d.*; the receipts from calls on shares for the same period to 4,431*l.*; and the receipts on debentures, borrowed at 4½ per cent. per annum, to 11,000*l.* The balance of cash at the bankers was 9,154*l.* 6*s.*, and the value of shares in hand, 91,604*l.*

## SOUTH EASTERN.

THE half-yearly meeting was held on Thursday, March 15th, at the Bridge House Hotel, London Bridge, the Hon. Mr. Byng in the chair. A dividend of 10*s.* per 80*l.* stock (less income tax), being at the rate of 3*l.* 6*s.* 8*d.* per cent. per annum for the half year was declared.

The report stated that the receipts for the half-year ending on the 31st of January, 1855, have been 467,390*l.* 15*s.* 1*d.*, including 499*l.* 5*s.* 10*d.* received of the Brighton Company for toll; and the working expenses and renewals, 192,531*l.* 16*s.* 5*d.* The rates, taxes, and tolls amount to 19,929*l.* 5*s.* 5*d.*; the government duty to 12,996*l.* 18*s.* 6*d.*; the rents of the Greenwich railway, Deptford creek bridge, and Angerstein wharf and branch, to 23,326*l.* 5*s.* 10*d.*; which sums, in addition to the interest on the mortgage debt, South Eastern annuities, and guaranteed stock of the company, 92,688*l.* 15*s.* 6*d.*, make a total deduction from the gross earnings of 341,473*l.* 1*s.* 8*d.* The profit and loss account shows a balance of 6,903*l.* 15*s.* 6*d.*, after providing for the last dividend, as well as 11,024*l.* 3*s.* 6*d.*, the net earnings at the credit of steam-boat account; and is

debited with the sum of 6,063*l.* 9*s.* 3*d.* for parliamentary and other expenses; leaving a balance of 137,782*l.* 3*s.* 2*d.* A dividend of 10*s.* per share, being at the rate of 3*l.* 6*s.* 8*d.* per cent. per annum, will absorb a sum of 123,805*l.*, leaving a balance to be carried over of 13,887*l.* 3*s.* 2*d.* There is a sum in suspense account of 8,842*l.* 11*s.* 8*d.*, which has been paid on account of the Croydon accident up to the 31st January last. Since then a further sum of 3,123*l.* 11*s.* 3*d.* has been paid on the same account. The credit side of the revenue account, as compared with that for the similar period ending January, 1854, shows an increase of 2,248*l.* 4*s.* 4*d.* The working expenses, rates, and government duty for the same period, are increased to the amount of 20,581*l.* 7*s.* 9*d.* The first item on the credit side of the profit and loss account is 6,903*l.* 15*s.* 6*d.*, against 1,123*l.* 16*s.* 9*d.*, and the balance of 252,956*l.* 18*s.* 3*d.*, less 11,024*l.* 3*s.* 6*d.*, earned by the steam-boats, making 241,932*l.* 14*s.* 9*d.*, is less for this than the comparative half of last year by the sum of 18,333*l.* 3*s.* 5*d.* Against this amount the charges for rents, interest, parliamentary expenses, &c., are increased by 9,302*l.* 11*s.* 3*d.* This includes one-third of the parliamentary and other expenses incurred by promoting the Lewisham, Croydon, and Bromley bill of 1853, charged in the manner sanctioned by the proprietors in March last, and the sum of 2,566*l.* 13*s.* 4*d.*, payments made to the late secretary and engineer. The balance of net revenue, viz., 137,782*l.* 3*s.* 2*d.*, is 15,993*l.* 5*s.* 6*d.* less than that for the corresponding half-year of 1854, which is thus explained:—The revenue account for the half-year ending on the 31st January, 1855, compared with that for the corresponding period of last year, exhibits an increase in the receipts, inclusive of the earnings of the steam-vessels, applicable to the half-year, of 13,272*l.* 7*s.* 10*d.* There is also an increase to the extent of 5,779*l.* 18*s.* 9*d.* in the amount brought from the last half-year, after payment of the dividend declared in September: which sums, less 195*l.* 17*s.* 3*d.* in respect of interest, on Canterbury and Whitstable securities, credited in the former period, as well as the sum of 4,965*l.* 15*s.* 10*d.*, being the balance on the steam-boat account to 31st July, 1853, making a total increase in the revenue of 13,890*l.* 13*s.* 6*d.* The total sum expended on capital account to the 31st of January last, amounted to 11,170,705*l.*; the receipts were 261,626*l.* less than that amount. The loan account shows a total of 2,459,325*l.*, of which 1,014,372*l.* was borrowed at 5 per cent., 179,050*l.* at 4½ per cent., 501,950*l.* at 4½ per cent., 153,630*l.* at 4½ per cent., 361,223*l.* at 4 per cent., 53,500*l.* at 3½ per cent., 191,100*l.* at 3½ per cent., and 4,500*l.* at 3 per cent.

#### SOUTH WALES.

THE twentieth half-yearly meeting of this company was held at the Great Western Royal Hotel, Paddington, on Tuesday, February 27, Mr. C. R. M. Talbot, M.P., in the chair, when dividends in accordance with the following report were agreed to:—

The report stated that the revenue account shows that the receipts from traffic have been 137,469*l.* 17*s.* 6*d.*, and from warehouse rent, shipping coal, &c., 504*l.* 7*s.* 2*d.* Total receipts, 137,914*l.* 4*s.* 8*d.* The expenditure is thus distributed:—Maintenance of way, 8,919*l.* 17*s.* 5*d.*; supply of rolling stock and power, 48,901*l.* 7*s.* 3*d.*; carrying account, 8,206*l.* 16*s.* 9*d.*; general charges, 6,209*l.* 4*s.* 11*d.*; repairs and insurance of stations, 145*l.* 15*s.* 11*d.*; compensation, 276*l.* 3*s.* 2*d.*; Government duty, 1,714*l.* 14*s.* 8*d.*; rates and taxes, 1,257*l.* 6*s.* 7*d.*; debenture stamps, 61*l.* 7*s.* 6*d.*; general office expenses, 1,300*l.* 10*s.*; interest on amount due in respect of supply of rolling stock and power (on account), less interest on cash loans, from revenue account, 967*l.* 2*s.* 3*d.*; total expenditure, 77,960*l.* 6*s.* 5*d.*; balance carried to general revenue account, 59,953*l.* 18*s.* 3*d.* The general revenue account stands thus:—*Creditor*—Balance from last account, after payment of preference dividend on guaranteed 90*l.* shares for half-year ending June 30, 1854, and net arrear of charge for the supply of rolling stock and power, under Sir William Cubitt's award, from July 19, 1852, to June 30, 1854, 13,178*l.* 14*s.* 8*d.*; balance of the revenue account for half-year ending December 31, 1854, 59,953*l.* 18*s.* 3*d.*; Forest of Dean Railway 599*l.* 8*s.* 7*d.*; Vale of Neath, dividend on shares to June 30, 1854, 1,629*l.* 12*s.* 9*d.*; registration fees, 26*l.* 5*s.*; South Wales wagon stock, for net mileage earnings

to December 31, 1854, 2,004*l.* 18*s.* 8*d.*; Great Western, for half-year's fixed rent of the line, from Grange Court to Carmarthen, at 38,500*l.* per annum, 19,250*l.*—total, 96,642*l.* 17*s.* 11*d.* *Debtor*—To sundry payments for crown rents, land tax, rent of offices, &c., 122*l.* 9*s.* 8*d.*; balance of interest on debentures, loans, land purchases, &c., 30,054*l.* 15*s.* 5*d.*; Great Western, for assumed amount due under the agreement of the 29th of March, 1851, in respect of the line between Grange Court and Carmarthen, 14,642*l.* 5*s.* 6*d.*—total, 44,819*l.* 10*s.* 7*d.* Balance disposable, 51,823*l.* 7*s.* 4*d.* The balance as above it is proposed to be applied thus:—Preference dividend on the guaranteed 20*l.* shares, 6,321*l.* 11*s.* 10*d.*; dividend at 3 per cent. per annum on the ordinary share capital of the company entitled to dividend, 36,670*l.* 8*s.* 9*d.* Leaving a balance over of 8,831*l.* 6*s.* 9*d.*

#### STOCKTON AND DARLINGTON.

THE half-yearly meeting was held at the offices, Northgate, Darlington, on Wednesday, February 14th, Mr. H. Meynell in the chair, when the following dividends were declared:—9 per cent. on ordinary shares, 5 per cent. on preference (A) shares, 4 per cent. on preference (B) shares, 6 per cent. on Wear Valley and Redcar shares. The meeting confirmed an arrangement by which, instead of a dividend of 4 per cent., and a contingent 1 per cent., at present payable on A shares, a permanent dividend of 5 per cent. will be paid from the 1st of July last.

The report stated that out of the 61,187*l.* expended on capital account for the main line, 52,542*l.* has been for additional rolling stock, and the residue has been expended for sidings, buildings, &c. The revenue for the half-year amounted to 143,541*l.*, being an increase of 15,466*l.* over the corresponding six months of 1853. In the bill before Parliament it is proposed that the capital of the company shall consist of 450,000*l.* 5 per cent. preference stock, 1,000,000*l.* ordinary share capital, and 911,972*l.* capital of the leased lines, Wear Valley and Redcar—total, 2,361,972*l.* The share capital of the company will thus be increased by the creation of 8,000 new shares of 25*l.* each, to be distributed rateably among the shareholders. The net balance of revenue available for rentals and dividends is 58,410*l.* This, after providing for dividends on the preference shares and leased lines, leaves a balance sufficient to justify the directors in recommending a dividend at the rate of 9 per cent. per annum for the past half-year. In recommending this dividend, the directors have before them the fact of a steady increase in the ordinary share capital, by which a larger amount will, in future, participate in the division of the net revenue. The capital account showed that 1,235,118*l.* had been received, and 1,183,478*l.* expended, leaving a balance of 51,640*l.* The revenue account for the half-year ending the 31st December shows that 143,541*l.* had been received, and 76,122*l.* expended, leaving a profit on the working of 67,419*l.*

#### THAMES HAVEN.

THE ordinary half-yearly meeting of the shareholders of this company was held on Wednesday, February 28, at the London Tavern, Mr. J. H. Lowden in the chair. There was no dividend declared.

The report stated that the four miles of line, from the Tilbury Railway to the Thames, and the wharfage there, were so near completion as to be fit for traffic at the opening of the spring weather, and that a call of 5*s.* per share would complete all existing engagements. The receipts for the half-year, including a balance of 1,550*l.* 12*s.* 10*d.* brought down, amounted to 6,385*l.* 10*s.* 11*d.* The expenditure for the same period had been 5,791*l.* 16*s.* 5*d.*, leaving in hand a balance of 593*l.* 14*s.* 6*d.*

#### ULSTER.

THE half-yearly meeting was held at Belfast, on the 28th March, James Goddard, Esq., in the chair, when a dividend of 22*s.* per share, free of income tax, was adopted.

The statement of accounts showed a balance of 7,723*l.* 16*s.* 6*d.* to the debit side of capital, the items being:—Amount expended in constructing the line, 650,751*l.* 17*s.*; engines, carriages, and waggons, 70,827*l.* 19*s.* 6*d.*—total, 721,579*l.* 16*s.*, 6*d.*; and, per contra, calls, 513,856*l.*; loans, 200,000*l.*—total, 713,856*l.* The revenue account for six months ended 28th February, 1855, showed receipts from passengers (the second class returning nearly as much as the first and third classes together), 15,465*l.* 19*s.* 2*d.*; receipts from goods, &c., 14,799*l.* 2*s.* 6*d.*; mails, 657*l.* 3*s.* 6*d.*; transfer fees, 9*l.* 7*s.* 6*d.*—net total, deducting clearing house expenses, mileage and demurrage on waggons, 30,830*l.* 0*s.* 3*d.* The expenditure on this account amounted to 13,436*l.* 9*s.* 1*d.* to which is added interest on borrowed capital, 4,289*l.* 5*s.* 10*d.*, leaving a balance of 13,104*l.* 5*s.* 4*d.*, of which 1,682*l.* 19*s.* 4*d.* is carried to reserve fund, and 11,421*l.* 6*s.* appropriated to dividend.

#### WATERFORD AND TRAMORE.

THE half-yearly meeting of this company was held in Dublin, on Thursday, March 29, Sir James Dombain in the chair, when a dividend of 3*s.* per share, being at the rate of 5 per cent. per annum, was agreed to.

From the directors' report it appeared that the revenue for the six months ending the 31st of December amounted to 3,145*l.*, being an average of 121*l.* per week, or 17*l.* per mile, and the working expenses and cost of management for the same period amounted to 1,467*l.*, or 1*s.* 4*d.* per train mile, leaving, after providing for income tax and interest, a surplus of 1,294*l.* to the credit of revenue account, together with 216*l.* brought forward from last half-year's account.

#### WEST HARTLEPOOL.

THE half-yearly meeting of this company was held at the offices, West Hartlepool, on Friday, March 30, Mr. R. W. Jackson in the chair, when a dividend at the rate of 4 per cent. per annum was declared.

The report stated that the revenue for the last half-year amounted to 67,108*l.* 11*s.* 2*d.*, being an increase upon the corresponding half-year of 1853 to the extent of 10,005*l.* 7*s.* 8*d.* The capital account showed that 1,563,205*l.* had been received, leaving a balance of 431,461*l.* The revenue account showed that 68,200*l.* 8*s.* 3*d.* had been received, and 43,314*l.* 2*s.* 7*d.* paid for working expenses, leaving a balance of 21,805*l.* 5*s.* 8*d.* The customs value of merchandise goods, exclusive of coal, exported from West Hartlepool during the last six months of 1853-4 was respectively 16,969*l.*, 30,172*l.*, 161,359*l.* The value of the goods exported during the first three months of 1853-4-5, amounted respectively to 323*l.*, 49,571*l.*, and 176,040*l.*

#### WEST LONDON.

THE half-yearly meeting of this company was held on Friday, March 9, at the London Tavern, Mr. S. Bird in the chair. There was no dividend.

The report stated that the traffic on the canal showed a decrease of 21,180 tons. In the traffic from the railway there was a decrease of 6,006 tons. The accounts showed that 298,833*l.* had been received, and 295,010*l.* expended, leaving a balance at the bankers' of 2,898*l.*, and in debts due to the company of 945*l.*

## Banking and Commercial Law.

### PROPOSED SUMMARY REMEDY ON BILLS OF EXCHANGE.

WE hope our merchants and bankers who sit in Parliament will devote a little attention to mercantile and banking law, and watch the progress of measures during their passage through

the legislature, in preference to crying out against them after they have passed.

Probably no measure has ever been proposed so attractive at first sight, and yet so destitute of any real utility, and so full of evils of the first magnitude, as the bill to give a summary remedy on bills of exchange.

It was ushered in by Lord Campbell with his usual flourish. His lordship had been trying some ten or a dozen defended actions on bills of exchange, in which there really was no defence, and consequently nothing to try, the struggle having been to gain time at any cost. Upon this he drew his bill, and presented it to the House of Lords, urging no other reason for its adoption than the evil we have referred to; and no doubt it is an evil which ought to be checked as far as practicable, but it is also one which is very much exaggerated, and which does not often attach to legitimate paper.

The measure which is proposed to remedy this evil will be attended with several far greater.

1. It is calculated to confer a secret preference on one class of creditors, to the prejudice of the general body. The statute book is full of attempts to counteract this evil. Hence arise the provisions for filing warrants of attorney and cognovits, and registering judges' orders and bills of sale. But a bill of exchange, with a summary remedy, would be a more subtle document than any of these for effecting fraudulent objects. Passing from hand to hand, the person holding it would be unknown until it was enforced. If fraudulent in its creation, it might circulate into the hands of an honest holder, and so acquire a validity which it did not originally possess. A trader, apparently of substance, might in reality have a number of bills of exchange hovering around his property like unseen birds of prey, and ready to bear it away at the first symptom of dissolution. Either the efforts which have been made to check the giving of preference securities, and to publish them if given, are all so many mistakes, or else the proposal to give a summary remedy on bills of exchange is the greatest mistake that could have been conceived in that direction.

2. The extension of the summary remedy to drawers and indorsers of bills of exchange seems most unreasonable. Their undertaking is only to pay in case of the default of the party primarily liable. This default is not theirs, and it may be a surprise to them.

3. It seems quite impossible to extend the summary remedy to bills of exchange, and yet deny it to bonds, mortgages, and all contracts in writing, either under seal, or even under hand only. When so extended, a change, for which the public are

altogether unprepared, will certainly be made in the position of persons who are parties to such instruments.

4. The example of Scotland is given as favourable to the existence of the summary remedy on bills of exchange. We do not know much of the law of Scotland, and what we do know is not at all calculated to prepossess us in its favour. We believe, however, that in Scotland the remedy is not confined to bills of exchange, but is extended to all writings payable at stated periods; and that the banking system of Scotland and the general habits of the people neutralise many of the objections to the law there, which we should have no counteracting influence to meet in England.

5. We must express our surprise at some of the arguments which were used in the House of Commons in favour of this proposed measure. A party who failed to meet his bill of exchange was to be allowed no excuse for his default. Did those who urged this view know that it was possible to have a very just excuse? Did they know that a bill might represent the price of goods which had been prudently sold, and the produce of which was expected to come back in time to meet the bill, but had not done so? Did they know that misfortunes might overtake the most prudent, and that to reduce a promise to a mathematical certainty, would put an end to all speculation, and even compel a bank to lock up its money, instead of circulating it?

On the whole, we have formed an unfavourable opinion of the measure.

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## **Legal Miscellany.**

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ROYAL BANK OF AUSTRALIA.—IN RE M. BOYD.

*Court of Bankruptcy, Basinghall-street, April 14.*

THIS was a meeting for choice of assignees, under the bankruptcy of Mark Boyd, sharebroker, of New Bank buildings.

Mr. Lawrance said he represented many of the joint-creditors of the firm of Boyd Brothers, which consisted of the bankrupt and his brother Benjamin, deceased. A question of importance as affected their rights had arisen. A proof was tendered on behalf of the petitioning creditor, Mr. Wryghte, the official manager of the Royal Bank of Australia, which was now being wound up before Mr. Richards. The Master had made an order upon Mr. Mark Boyd, as a contributory to the company. That company was said to be in a state of hopeless insolvency: its debts were very large, and Mr. Boyd had been called upon, in respect of the calls and interest on his shares, to the amount of £30,450.

Mr. Roxburgh, who appeared on behalf of Mr. Wryghte, tendered a proof for the amount stated. The order of the Master had not been appealed against, and had now the effect of a judgment, and could only be disturbed by the House of Lords. The bankrupt had resisted the order before the Master, and had claimed to set off the amount due on his shares a sum of £13,000, alleged to be jointly due from the bank to himself and brother, but the Master had decided that a joint claim could not be set off against the separate debt of the bankrupt.

Mr. Lawrance submitted, that as Mark Boyd was now the only surviving partner of the firm of Benjamin and Mark Boyd, and as all the liabilities and rights of the partnership had vested in him, he was now entitled to set off the partnership debt against his separate debt to the company.

His Honour—That raises a very nice question.

Mr. Roxburgh said it had been raised and argued at great length before the Master, but he decided that the joint debt could not be set off.

Mr. Lawrance said, the joint creditors wished that this set-off might be investigated in bankruptcy by the official assignee, and this might be done at much less expense and less inconvenience than in the Master's office; but by the nomination of Mr. Wryghte, the official manager, as trade assignee, the creditors would be deprived of their right of investigation.

Mr. Roxburgh stated that there was a sum of £740,000 due from the deceased Mr. Boyd, as calls upon his shares in the bank. Both he and the bankrupt were directors of the company. Mark Boyd, the bankrupt, acted in London as broker and consignee to his brother in Australia, who had taken out the bank funds there for the purpose of establishing branches in Sydney and other places. But these gentlemen had embarked in all kinds of speculations in wool, shipping, and other things. Besides the Royal Bank of Australia, they had established the Australian Wool Company, and the firms of Boyd, Brothers, and Co., and all these consisted of the bankrupt and his brother. The bankrupt swore before the Master that £43,000 was due from the bank to him, as surviving partner of his brother. But produce had been regularly consigned by B. Boyd, in Australia, to the bankrupt in London, the account of which showed that the bankrupt had received £223,000, and in this account he charged the very sum said to be due to himself and his partner from the bank. Among other strange items introduced to balance that account, was a sum of £6,000, said to have been abstracted by a clerk. The shareholders contended that the whole of these proceeds belonged to them.

His Honour.—How long was this gourd, called the Royal Bank of Australia, in growing up and withering?

Mr. Roxburgh—The bank was established in 1840. They had only a paid up capital of £11,000, but they circulated debentures and raised money upon them to the extent of £300,000.

His Honour said they could not have done so under a limited liability. Unless the creditors had known they had a number of poor shareholders whom they could squeeze to the utmost, they would not have lent their money with so much readiness.

Mr. Roxburgh said that, in order to draw the attention of the public, they issued with their debentures small slips of paper, easily detached, which were the authority for receiving dividends. Large dividends were paid from time to time, and the debentures were not to be paid off for five years. There was a clause in the deed of settlement to prevent the shareholders from inspecting the books. In Scotland there was quite a rage for these debentures as an investment. They guaranteed 5 per cent. for five years, and 6 per cent. after the debentures were renewed. They managed to obtain £300,000, and on a second issue £100,000 more. With this money

Mr. B. Boyd went to Australia, and speculated in wool and cotton, under the firm of Boyd Brothers. The produce was remitted, not to the bank, but to Mark Boyd, the bankrupt. Under these circumstances, the official assignee, in winding up the affairs of the bank, thought it necessary to proceed in bankruptcy against Mark Boyd. As a public officer, Mr. Wryghte would be sure to act impartially, and would take more care than any other person in the matter.

Mr. Lawrance denied that an official manager, under the Winding-up Act, had any right to prove on behalf of a company, without an order of the Master to that effect.

Mr. Roxburgh said such an order had been obtained, and produced it.

Mr. Lawrance said the question between Mr. Boyd and the bank was now before the House of Lords on appeal, and in this stage of the business it would be most unjust if all the other creditors were excluded from control over the estate by the overwhelming debt of Mr. Wryghte. It was said that three-quarters of a million was due from Mr. Boyd, deceased, in respect of shares, but they had never been properly allotted or never taken up. It was most important that some independent person should be appointed trade assignee.

His Honour said it was quite impossible for him to exclude Mr. Wryghte, if he chose to nominate himself sole assignee. He had established, as the representative of a large body of persons, a demand on this estate for upwards of £30,000. All that could be done was by suggestion and persuasion, to see whether Mr. Wryghte and those who acted with him could be induced to consent that some other person should be joined with him in the assigneeship, who might represent the other interests (if there were any) besides those which were represented by Mr. Wryghte.

Mr. Roxburgh declined to accede to this suggestion, on the ground of inconvenience; and

Mr. Wryghte was appointed sole trade assignee. Mr. Whitmore is the official assignee.

From a statement prepared by Mr. Thomas, the liabilities are said to be about £40,000, and assets £7,400.

Mr. Sewell, on behalf of Mr. Boyd, stated that he had never been present at any meeting of the bank for eighteen months after its formation. Neither he nor his brother had anything to do with the concoction of the debentures. The allegation that the set-off had been included in the account rendered by the bankrupt of the proceeds of remittances was capable of explanation.

**STOLEN NOTES.—SPIELMANN v. THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND.**

*Queen's Bench, Thursday, 19th April.—(Before LORD CAMPBELL.)*

THE Attorney-General (with whom was Mr. Hawkins) moved, pursuant to leave reserved, for a rule to show cause why the verdict which had been found for the defendants should not be entered for the plaintiff, and also why there should not be a new trial, upon the ground that the verdict was against the evidence. The action was brought by Adam Spielmann, a banker and money-changer in Lombard-street, to recover from the Governor and Company of the Bank of England the value of two £500 Bank of England notes. The defendants pleaded—first, that the notes in question had been stolen before they came into the plaintiff's hands, and that the plaintiff was not the *bona fide* holder of them for a valuable consideration; and, secondly, that the plaintiff was the bearer of the notes, as agent for one Meyer



Spielmann, that the notes were stolen, and that Meyer Spielmann had become the holder of them without a valuable consideration. At the trial, which took place at Guildhall, before Lord Campbell, at the sittings after last term, the jury found that Meyer Spielmann was not the *bond fide* holder of the notes on the 26th of June, but that Adam Spielmann (the plaintiff), on the 27th of June, was the *bond fide* holder of them as a remittance from Meyer Spielmann.

Lord Campbell said, it was also found by the jury that notice of the robbery had been given at the place of business of both the Spielmanns.

The Attorney-General said that was so, but the notice was not brought to their personal knowledge, and the notice given at Meyer Spielmann's office in Paris was in May, 1853, which was more than a twelvemonth before a person named Howard got one of the £500 notes cashed there. It was in the month of June, 1854, that Howard called at the office of Meyer Spielmann, who was a money-changer at Paris, and obtained cash for one of the £500 notes. On the same day he got cash for the second £500 note from another money-changer at Paris, named Monteaux. In both cases he got change at the current rate of the day. In the course of the same day Monteaux called upon Meyer Spielmann, and brought the £500 note, and asked him to remit it to England. This was accordingly done, and thus both the notes came into the hands of the plaintiff, Adam Spielmann, who was in regular correspondence with his brother Meyer, who resided in Paris. When the notes were presented to the Bank of England payment was refused, the Bank having received notice that the notes in question had been stolen. In the first instance, the plaintiff insisted on his brother Meyer taking back the notes, but eventually he kept them. On the part of the plaintiff evidence was given at the trial that Meyer Spielmann had given cash to Howard for the £500 note. That was proved by two clerks, who were present and saw the money paid. Howard gave his address, and wrote it on the back of the note. The same day, as soon as Monteaux brought the second £500 note, and it was discovered that the notes were stolen, Meyer Spielmann gave information to the police, who at once took steps for the discovery of Howard. It was, however, ascertained, that as soon as Howard had obtained cash for the two notes, he had returned to the Bedford Hotel to get his luggage, and then made off, and had not been heard of since. The evidence which showed that Meyer Spielmann held the notes for a valuable consideration, was entirely uncontradicted, so that the learned Attorney-General contended, that upon that part of the case, the verdict was against the evidence. He also contended the plaintiff was entitled to the verdict, whatever might be the case in regard to Meyer Spielmann.

Lord Campbell said it would be more satisfactory that the whole case should come before the Court.

Rule *nisi* granted.

In the same case,

Sir F. Kelly (with whom was Mr. Bovill) moved for a cross rule for a new trial, in case the Court should be of opinion that on the finding of the jury the verdict ought to be entered for the plaintiff. The learned counsel then stated some of the points on which he should rely.

Lord Campbell said the whole case would be open on both sides.

Rule *nisi* granted.

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## THE BANK OF ENGLAND AND THE GOVERNMENT.

It will be seen by the following letter, addressed by the Governor and Deputy-Governor of the Bank to the Chancellor of the Exchequer, that a remonstrance has been made against the attempt to introduce a new system in the provision of the funds necessary for the payment of the public dividends. This Parliamentary paper—for such is the document—shows that the reports current on the question at this period last year were not ill founded. Our readers may recollect that a good deal of discussion was then raised, with respect to the position in which the Government stood, in relation to the Bank, and that the probability of the creation of a State institution was openly canvassed. The economic theories of the late Chancellor of the Exchequer appear to have inspired universal fear; and, had he continued much longer in office, he would have found great difficulty in extricating himself from the responsibility of his doubtful financial legislation. The annexed is the letter referred to:—

*Letter from the Governor and Deputy-Governor of the Bank of England to the Chancellor of the Exchequer.*

Bank of England, 14th March, 1855.

SIR,—On the 12th October last we felt it to be our duty to call the attention of Her Majesty's Government to the departure from antecedent practice in paying the public dividends, which, first introduced by the Treasury, in April, 1854, had just then been repeated; and we expressed our reliance upon the intervention of Her Majesty's Government to protect the Bank from any injurious consequences which might result from proceedings in which we could not acquiesce.

The course against which we then remonstrated, of paying to the Bank part only of the dividends when due, and supplying, from time to time, such further portions as were expected to be asked for by the public, was, however, again resorted to in January last.

At your request, we beg now formally to place this subject before you, as the finance minister of the Crown, and to submit for your consideration, with especial reference to the approaching April dividends—

That the Loan Acts, under which the whole of the existing debt was contracted, require that the entire annuities be paid, on the days appointed, to the chief cashier of the Bank, and that the said cashier shall, without delay, pay the same accordingly.

In support of the views which we are now expressing, on behalf of the Court of Directors, we beg to refer you to the copy of the case submitted to the standing counsel of the Bank, and Mr. Roundell Palmer, together with their opinion thereon.

We venture to hope that Her Majesty's Government may admit the validity of our objections to the recent change, by resuming, in the provision of the April dividends, the practice which, until last year, had invariably prevailed.

We have, &c.,  
(Signed) J. G. HUBBARD, Governor,  
T. M. WEGUELIN, Deputy-Governor.

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## Reports of Joint-Stock Banks.

### SYDNEY COMMERCIAL BANK.

THE general meeting of the shareholders of this bank was held on the 23rd of January, at the offices of the bank, Sydney, Mr. H. W. Parker, chairman, when the following report was presented:—

The directors, in conformity with the provisions of the deed of settlement, have to present to this meeting the usual statement of the accounts for the last six months.

The profit for the half-year ending the 30th ultimo, after deduction of all expenses, amounts to ... ..	£28,085	12	1
The undivided profit for the previous half-year, after payment of the sums voted by the general meeting in January to the widow of the late manager, and to the officers of the establishment, is ... ..	4,167	13	3

Thus the sum for appropriation amounts to ... ..	£32,253	5	4
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Out of which the directors now declare a dividend for the half-year of 10 per cent. £20,000	0	0
Add to the reserve fund ... ..	8,000	0 0
And leave at the credit of profit and loss undivided... ..	4,253	5 4
	£32,253	5 4

Notwithstanding the prevailing depression in trade, the directors have no reason to apprehend any occurrences likely to prejudice the interests of the bank; and while they have much pleasure in submitting to the proprietors the foregoing favourable statement, it is alike gratifying to them that they are enabled to report the affairs of the institution to be in a sound and satisfactory position. The dividend will be payable on and after Monday, the 29th instant.

*Commercial Bank, Sydney, 23rd January, 1855.*

#### *Liabilities and Assets on Saturday, 30th December, 1854.*

*Dr.*

Capital paid up ... ..	£200,000	0	0
Reserve fund ... ..	22,000	0	0
Notes in circulation ... ..	211,427	0	0
Deposits and other liabilities ... ..	968,045	4	9
Profit and loss account:—			
Undivided profit last half-year... ..	£4,167	13	3
Carried to account this half-year ... ..	32,799	9	7
	36,967	2	10
	£1,438,439	7	7

*Cr.*

Coin and bullion ... ..	£347,406	4	5
Government securities ... ..	43,300	0	0
Balance due by other banks... ..	166,497	6	9
Bills discounted, and other debts due to the bank... ..	865,392	17	9
Landed property, bank, and furniture ... ..	15,842	18	8
	£1,438,439	7	7

*Profit and Loss Account.*

<i>Dr.</i>					
To salaries, directors' remuneration, and incidental ex-					
penses ... ..	£4,713	17	6		
Dividend accounts for payment of the dividend for the					
half-year at 10 per cent ... ..	20,000	0	0		
Reserve fund, amount added thereto ... ..	8,000	0	0		
Balance, undivided profit ... ..	4,253	5	4		
	£36,967	2	10		
<i>Cr.</i>					
By balance from last half-year ... ..	£	s.	d.		
Amount carried to account this half-year ... ..	4,167	13	3		
	32,779	9	7		
	£36,967	2	10		

AUSTRALIAN JOINT-STOCK BANK.

THE fourth half-yearly general meeting of the shareholders of this bank was held at the banking-house in Pitt-street, Sydney, on the 18th of January, for the purpose of receiving the report of the directors, and for the transaction of other business. Mr. T. W. Smart, M.L.C., presided. The chairman read the following report:—

The chairman and board of directors have much pleasure in again meeting the proprietors of the Australian Joint-Stock Bank, and in submitting to them a report of the progress of the bank's business for the half-year ending the 31st December, 1854. The steadily increasing profits of the bank's operations enables the board of directors to leave untouched, for dividend purposes, the balance of undivided profit held over from the previous half-year, whilst a determination of adding to the strength and soundness of the institution, has induced them to carry that amount to the credit of the reserve fund, a policy which the directors feel assured will meet the approval of all concerned in the bank's future prosperity and advancement; the reserve fund, with the amount from last account, and 5 per cent. on the half-year's profits, in terms of the deed of settlement, is thus increased to the sum of £10,227 11s. 4d.

The net profits for the six months just closed amount to £12,841 11 10

From which have to be taken 5 per cent., for credit of reserve fund ... .. 642 1 7

Leaving a balance of ... .. £12,199 10 3

which allows the directors to recommend that a dividend be declared for the half-year at the rate of 10 per cent. per annum, which, on the amount of capital paid up at June, 1854, with the additional instalments called up since that date will require... .. £7,775 0 11

thereby showing an amount of ... .. £4,424 9 4 to be carried forward for the equalisation of future dividends, or the further augmentation of the reserve fund, as time and circumstances may suggest. The directors, in conclusion, beg to call the attention of the proprietors to the 46th clause of the deed of settlement, wherein it sets forth that the

promissory notes of the bank, payable on demand, "shall be signed by two of the directors:"—this regulation was adopted for the better security of the public, while the bank was issuing forms engraved in the colony; but as the directors have now been for some time in possession of highly finished engraved note forms, printed on paper expressly prepared and water-marked for the bank, they beg to submit to this meeting the desirableness of altering the clause referred to, so that notes bearing the signature of one director, and countersigned by such other person or persons as may be authorised by the board in that behalf, may be issued, and sanctioned by the proprietors, as the authorised circulation of the bank. The dividend will be payable at the banking-house, on and after to-morrow, the 19th of January.

Upon the motion of the chairman, the report and the accompanying statement of accounts were adopted unanimously.

On the motion of Mr. Fairfax, seconded by Mr. J. J. Raphael, a vote of thanks was unanimously given to Mr. J. R. Young for his constant and zealous attention to the interests of the bank during his term of office; coupled with the cordial expression of the wishes of the proprietors for the realisation of all the advantages he anticipates from his intended visit to Europe. Mr. Charles Kemp then moved, and Mr. Edwin Daintrey seconded the following resolution, which was carried by acclamation:—"That the thanks of this meeting be presented to T. W. Smart, Esq., for his services as inspecting director of this bank, and, as he is about to proceed to England, that the directors be requested to present him with a bank post bill on London for five hundred pounds, to be by him invested in the purchase of a service of plate, bearing the following inscription:—'Presented by the Shareholders of the Australian Joint-Stock Bank to T. W. Smart, Esq., M.L.C., as a testimonial, in acknowledgment of the valuable services rendered by him to the bank, as inspecting director, during the last eight months. Sydney, 18th January, 1855.'"

#### AGRA AND UNITED SERVICE BANK.

THE half-yearly general meeting of this bank was held at Calcutta, on Wednesday, the 14th of February, Mr. W. Bracken in the chair, when the following report was read and adopted:—

The dividend on the present occasion is, for the first time, to be made on the sum of seventy lacs, to which the bank's capital has lately been enlarged; and the directors have much pleasure in submitting the accounts, which exhibit a net profit of Rs. 4,34,305 10 0, being at the rate of Rs. 12 6 6 per cent. per annum on the operations of the past half-year, a result which they do not doubt will be considered satisfactory by the proprietary. The directors regret that it will be necessary to provide for a loss sustained at the Madras branch. The partners of a mercantile firm at that presidency, whose liabilities amount to Rs. 69,396 14 6, have absconded, and, though all necessary steps in the matter have been taken, the probability is, that beyond the proceeds of their bank shares little will be recovered. These have been sold, and the balance due by the parties in question is thus reduced to Rs. 61,164 6 2, which the directors consider should be provided for in full from the past half-year's profits, and any realisations hereafter made can be brought to credit. They deem it due to themselves here to state, as has already been done to the Madras branch, their conviction that the loss in this instance might have been smaller, or possibly avoided entirely, had more attention been paid by the former agent to their repeated

cautions as to business of this nature. On the grounds of the very considerable increase within the last five years to the working capital of the bank, as well as of the recent augmentation of the paid-up capital, and the confidence with which a sufficient reserve is regarded both by the shareholders and the public, the directors recommend that this fund be increased by five lacs of rupees, or to fifteen lacs in all, and that the dividends be limited to 9 per cent. until the above sum is completed. In this recommendation they are borne out by the spirit of former resolutions on the same subject, and by the example of similar institutions in England and elsewhere. Taking an average of twenty of the largest British and colonial banks, the proportion of reserve to paid-up capital is found to be about 22 per cent.—a ratio which would give fifteen lacs and forty thousand rupees as the amount of the reserve fund. The five lacs so constituted might be invested in Government securities and divided among the branches, in substitution of the paper now held by each, the amount of which will then be available as working capital. The directors feel that they merely anticipate the wishes of the shareholders in suggesting a donation of Rs. 2,500 to the Patriotic Fund. They recommend that a dividend at the rate of 9 per cent. be declared, and that the surplus Rs. 55,641 3 10, after providing for the loss above adverted to, be credited to the reserve fund.

The following resolutions were then duly passed:—That the accounts submitted be approved and passed, and, together with the directors' report, published for the information of shareholders;—that from the net profits of the half-year Rs. 61,164 6 2 be appropriated to make good the loss referred to in the report, and Rs. 3,15,000 in payment of a dividend to shareholders at the rate of 9 per cent.;—that a donation of Rs. 2,500 be granted to the Patriotic Fund, and that the remainder of the net profits, Rs. 55,641 3 10, be credited to the reserve fund;—and that, for the reasons stated in the directors' report, the reserve fund of the bank be increased to fifteen lacs of rupees; that the additional five lacs be invested in Government securities, and distributed rateably among the branches, in substitution of the securities now held by each; and that, until the above amount is made up, no higher rate of dividend than 9 per cent. be declared.

*Abstract of Profit and Loss, from 1st July to 30th December, 1854.*

To establishment expenses at head office and branches	...	...	...	...	Rs.90,140	4	7
Charges general at ditto	...	...	...	...	24,104	3	7
Postages at ditto	...	...	...	...	2,392	0	3
Interest on Deposits:—							
At 5 per cent.	...	...	...	...	65,059	5	4
At 4 per cent.	...	...	...	...	62,033	7	4
At 3 per cent.	...	...	...	...	1,620	1	5
Divisible balance	...	...	...	...	4,34,305	10	0
<b>Total Co.'s Rupees</b>	...	...	...	...	<b>6,79,655</b>	<b>0</b>	<b>6</b>
By head office	...	...	...	...	Rs.351,077	8	4
Agra branch	...	...	...	...	87,271	0	11
Madras branch	...	...	...	...	79,813	15	5
Bombay branch	...	...	...	...	1,17,857	13	10
London agency	...	...	...	...	34,718	8	8
Lahore agency	...	...	...	...	8,916	1	4
<b>Total Co.'s Rupees</b>	...	...	...	...	<b>6,79,655</b>	<b>0</b>	<b>6</b>

**MERCANTILE BANK OF INDIA, LONDON, AND CHINA.**

THE first yearly general meeting of the shareholders of this bank was held on the 28th of February, at the banking-house of the company in Rampart-row, Bombay, Mr. W. Howard in the chair, when the following report and accounts were unanimously adopted :—

The directors have the pleasure of laying before the proprietors the balance-sheet for the half-year ending 30th December, 1854, with the auditors' report thereon, as also a statement of the bank's operations for the year. The bank opened for business on 3rd January, 1854, with a paid up capital of Rs. 6,10,650.

Since which date, the following calls were made :—

On 25th January	...	...	...	Rs. 50	...	Rs. 6,10,650
On 1st April	...	...	...	" 25	...	3,05,325
On 1st May	...	...	...	" 50	...	6,10,650
On 15th July	...	...	...	" 25	...	3,07,450

Making a total of ... .. Rs. 24,44,750

This capital being found insufficient, the directors resolved to issue to the proprietors new shares, in the proportion of one to every three old shares, payable in two calls of Rs. 100 each, which were paid up as follows :—

On 1st September	...	...	...	...	Rs. 4,09,833	5	4
On 1st October	...	...	...	...	4,08,833	5	4

Rs. 8,17,666 10 8

This, with the addition of a few shares issued in London and Calcutta, makes the total paid-up capital of the bank at this date Rs. 32,88,266 10 8.

During the year, the directors have opened branches and agencies at the following places, namely ;—

Columbo	opened	1st March, 1854.
Canton	"	15th March "
London	"	22nd March "
Kandy	"	1st August "
Shanghai	"	2nd October "
Calcutta	"	1st January, 1855.

The business transacted in Bombay during the past year has resulted very satisfactorily.

From January, 1854, to the end of the year, the Bombay Office discounted bills amounting to Rs. 60,64,099, and purchased bills on England amounting to Rs. 48,62,670, making a total of Rs. 1,09,26,769, or £1,092,676 18s., on which the directors are glad to report that they have not lost a single rupee. There was only one doubtful debt of Rs. 2,700, the greater portion of which has since been paid, and the balance fully secured. Upon the purchase of bills on the other presidencies, amounting to Rs. 4,47,909, the bank sustained a loss of Rs. 11,884 11 5, through the neglect of one of the officers of the bank no longer in its service. The net profits for the half-year ending 30th June, 1854, were Rs. 37,693 5 2, which the directors deemed advisable to carry to the credit of the reserved fund, as the bank was only in partial operation during that period. On 30th December, the net profits were Rs. 1,00,514 4 5, from which the directors have declared a dividend at 6 per cent. per annum, leaving Rs. 14,515 7 3 to the credit of the reserved fund. The reserved fund, on 30th June, was Rs. 37,693 15 2, to which was added,

on 30th December, the above sum of Rs. 14,515 7 3, making Rs. 52,209 6 5, from which was deducted the above loss of Rs. 11,884 11 5, leaving a balance at the credit of reserved fund, for the year, of Rs. 40,324 11 0, or 1½ per cent. on the capital. The year which the bank has passed through has been a very severe and trying one, especially to an institution in the course of being organised. Exchanges have fluctuated beyond the experience of former years, and in the course of nine months there have been two of the most severe monetary pressures that have occurred for many years. After writing off all the preliminary expenses of the bank, the loss incurred in Ceylon, being the only loss the bank has sustained, the expenses of opening new branches, and of the officers moving there, combined with the fact of many of the branches being in only partial operation during the year, the result of the twelve months' operations, the directors trust, will be, upon the whole, satisfactory to the proprietors.

LIABILITIES.

Proprietors' capital ... ..	Rs. 32,88,226	10	8
Current accounts and fixed deposits ... ..	11,57,846	9	11
Drafts and bills in circulation ... ..	77,71,564	8	7
Balances due to other banks and agencies ... ..	10,42,210	11	2
Reserve fund ... ..	37,693	15	2
Profit and loss ... ..	1,00,514	4	5
	<b>Rs. 1,33,980,96</b>	<b>11</b>	<b>11</b>

ASSETS.

Bills remitted to London ... ..	Rs. 83,59,331	12	4
British bills of exchange on hand ... ..	2,77,034	2	0
India and China bills purchased ... ..	8,74,938	14	0
Bills discounted and loans ... ..	14,50,135	6	4
Cash credits ... ..	1,80,570	10	11
Government securities ... ..	6,90,003	8	0
Past due bills ... ..	11,884	11	5
Bullion in transmission ... ..	1,96,042	10	0
Dead stock ... ..	9,266	0	3
Stamps on hand at Colombo Office ... ..	644	12	0
Adjusting account of interest ... ..	9,016	2	11
Suspense accounts ... ..	77,961	7	1
	<b>1,21,36,830</b>	<b>1</b>	<b>3</b>
Cash at bankers', and cash on hand at head office and branches ... ..	12,61,266	10	8
	<b>Rs. 1,33,98,096</b>	<b>11</b>	<b>11</b>

Mr. Jefferson wished to know what the prospects of the proposed amalgamation with the chartered Bank of Asia were.

The Chairman said, that according to their latest letters the Bank of Asia was about to apply to the Treasury for a supplemental charter, without which, it was the opinion of the legal advisers of both parties, that a branch of the Bank of Asia could not be established in Bombay, the charter, as it now stands, authorising an agency only for exchange deposit and remittance. A supplemental charter and deed of settlement were also



required to enable the Bombay shareholders to vote by proxy at the meeting of the shareholders in London, and to authorise a register being kept in Bombay for the transfer of shares, and for some other purposes. There was another difficulty which he (the chairman) hoped would be removed. It had been considered that the bank here must first be dissolved, and all its securities turned into cash, to be remitted to England—an operation involving a loss of time and of money to the shareholders of this bank, which it was out of the question to suppose they would submit to.

Mr. Cowasjee Nanabhoy said, it was very desirable that the directors should be remunerated, and he proposed that one gold mohur should be paid to each director for his services and attendance at each weekly meeting. The business transacted during the past year had been very satisfactory, and, in order to secure the services of the present directors, it was desirable to pay them, as was done by the Oriental Bank and others.

Mr. Collett seconded this proposition.

The Chairman said he did not think the proposition a desirable one. For himself and the directors he could say that they did not desire remuneration. A gold mohur to each director would not elicit from him more attention to the affairs of the bank than they were all ready at present to give. He thought it a mistake, and had always done so, to suppose that directors could ensure good management. They were all engaged in their own affairs, could give but a partial attention to those of the bank, and could only effectively watch over the proceedings of the management. The true mode of giving strength to the bank, was to make the management, not the directors, strong; and if money were to be set aside as a remuneration for the direction, he thought that, instead of dividing it in small sums amongst that body, it would be better to pay the whole amount to one director, versed in the Indian exchanges, and experienced in the business of the place, who should be a sort of consulting director, bound to look in the bank every day, and to assist the manager with his advice, and this of course no one would do who was not well remunerated. He believed that a better course, however, than this, would be, to have another paid officer of the bank, by the name of the "secretary," and who would always be at the bank an assistant and counsellor to the manager, and ready to take charge of the headquarters in case of accidents; and, as the correspondence with so many branches was now becoming very voluminous, it would be necessary ere long to consider, if the amalgamation should not be carried out, in what way we could best give effective and permanent assistance to the chief executive officer. In the meantime the directors did not ask for nor wish remuneration. He would take the opportunity of saying, that the satisfactory state of the last half-year's operations was attributable entirely to the zeal and intelligence of the officers of the bank. He thought he could congratulate the bank on having a very able body of servants: in fact, he did not know one that he should wish to see out of the institution.

The motion having been withdrawn, the usual votes of thanks were proposed, and the meeting broke up.

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#### BRITISH COLONIAL BANK AND LOAN COMPANY.

THE fourteenth annual meeting of this bank took place at the offices in Coleman-street, on the 7th of March, Mr. C. Lushington in the chair, when the following report and accounts were unanimously adopted. It was explained that the liquidation of affairs was proceeding satisfactorily, the whole of the capital (£40 per share) having been returned, with the prospect of a further distribution. No precise date can, however, be fixed for the final dissolution, owing to the arrangement of contingent liabilities.

"In submitting their fourteenth report, the directors congratulate the shareholders on the ample fulfilment of the expectations held out in their last annual statement, relative to the winding-up of the affairs of the company. On that occasion, a belief was expressed that, in converting into money the assets of the company, the amount of capital represented by the shares would at least be realised. That assurance has been confirmed by facts, of which it is scarcely necessary to remind the shareholders; for, their manager in the colony having been enabled to dispose of nearly all the properties of the company at highly remunerative prices, and a large portion of the proceeds having been realised and remitted to this country, the directors have, since the last annual meeting, divided among the shareholders the sum of £99,075, being three-fourths of the capital invested in the undertaking. Moreover, before the present report shall be taken into consideration at the approaching meeting in March next, the shareholders will have received back a fourth instalment, being the last remaining portion of the original capital. Under these circumstances, the shareholders will, of course, not expect a proposal of dividend; the capital having been distributed and absorbed. Nevertheless, the directors entertain a confident hope that, on the final closing of the affairs of the company, after making adequate provision to meet all contingent liabilities, there will still be a surplus for a further general division."

*British Colonial Bank and Loan Company.*

<b>Dr.—Capital stock — paid up to 31st</b>						
December, 1853	...	...	...	£132,800	0	0
Final call of £2 10s. per share, on 20						
shares	...	...	...	50	0	0
						£132,850 0 0
<b>Deduct:—</b>						
20 shares forfeited for non-payment						
of final call	...	...	...	750	0	0
1st return of Capital to the shareholders,						
on 23rd March, 1854	...	...	...	33,025	0	0
2nd " 6th July, 1854	...	...	...	33,025	0	0
3rd " 17th Nov. "	...	...	...	33,025	0	0
						99,825 0 0
						33,025 0 0
<b>Capital stock upon which the company has claimed a</b>						
lien (per last statement) to be set off against the						
loss on the sale of sundry estates	...	...	...	20,800	0	0
						53,825 0 0
<b>Liabilities:—</b>						
Due to the shareholders in New South Wales, return of						
capital of £30 per share on 281½ shares	...	...	...	8,445	0	0
Due to the shareholders in England,						
return of capital of £10 per share on						
95 shares	...	...	...	950	0	0
Dividends unclaimed	...	...	...	391	5	1
Income tax	...	...	...	177	4	4
						9,963 9 5
Profit and loss, as per statement	...	...	...	26,173	4	11
						£89,961 14 4

<i>Cr.</i> —Loans :—On mortgage paying interest ... ..	£33,993	1	5	
Property in the hands of the company on 30th June last ... ..	21,299	1	11	
				£55,292 3 4
Cash :—Bankers in London ... ..	543	9	9	
Ditto on deposit at interest with Commercial Bank ... ..	3,500	0	0	
Ditto Overend, Gurney & Co. ... ..	5,536	2	6	
		9,036	2	6
Ditto in Sydney ... ..	844	4	3	
				10,423 16 6
Bills receivable :—In Sydney ... ..	34,245	14	6	
Deduct :—Remitted since closing the Accounts to 30th June last ... ..	10,000	0	0	
				24,245 14 6
				£89,961 14 4

*Profit and Loss.*

<i>Dr.</i> —One year's expenses in London ... ..	£975	2	8	
Ditto (to 30th June) Sydney ... ..	2,162	5	3	
				£3,137 7 11
Dividend on colonial shares in arrear ... ..	121	8	1	
Dividend declared to 31st December, 1853, including income tax ... ..	3,401	0	6	
				3,522 8 7
Premium paid for the remittance of £85,000 on London ... ..	1,900	0	0	
Less—Commission received on sundry bills ... ..	23	19	10	
				1,876 0 2
Loss on the sale of sundry estates to 30th June last ... ..	14,399	12	11	
Balance carried down ... ..	26,173	4	11	
				£49,108 14 6
<i>Cr.</i> —Balance per last statement ... ..	£2,878	6	10	
Profit on sale of land and purchase of shares (per last statement) ... ..	£8,606	6	7	
Forfeited shares ... ..	750	0	0	
Profit on the sale of sundry estates to 30th June last ... ..	29,990	1	4	
				39,346 7 11
Interest on mortgages to 30th June, 1854 ... ..	3,048	18	5	
Ditto on sundry bills outstanding on 31st December, 1853 ... ..	602	7	9	
Ditto on deposit account with the Commercial Bank, and Overend Gurney & Co. ... ..	732	11	5	
Rents received on sundry estates ... ..	2,500	2	2	
				6,883 19 9
				£49,108 14 6
Balance brought down ... ..	£26,173	4	11	
London, 31st December, 1854.				

**BIRMINGHAM BANKING COMPANY.**

THE twenty-fifth annual general meeting of the shareholders in this company was held at Dee's Royal Hotel, on February 27th, Mr. Joseph Gibbins in the chair, when the directors presented the following report:—

Your directors have sincere pleasure in presenting to this meeting their twenty-fifth annual report, and in congratulating their constituents on the almost uniform prosperity and progress of this company during upwards of a quarter of a century. Contrasting the Birmingham of 1829 with the Birmingham of 1854, and considering the vast increase of the town, its commerce and its manufactures, your directors feel great satisfaction in the fact that, whilst your interests have been fully secured, your bank has had a substantial share, with the other banks, in developing the capabilities of this important district. And although in the usual course of things, at longer or shorter intervals, considerable depression has rapidly succeeded a period of unusual prosperity, they look with hope to the gradual improvement of trade during the present year. It is not necessary to discuss the question, how far the present calamitous war has affected the interests of trade and commerce, but it is exceedingly probable that less damage has been done to those interests on the present occasion than by any former war on an equal scale. And if hostilities should unhappily be prolonged, it may be hoped that at all events our mercantile marine will continue to have uninterrupted access to all our usual markets abroad, and that what are denominated "war risks," will add little or nothing to the cost of our manufactures to the foreigner. Your directors have the pleasure to report that they continue to receive large accessions of excellent business, and that the prospects of your company were never more satisfactory. It is, however, not improbable that the reduction of prices, and the decrease of demand, will cause a falling-off in the aggregate amount of your banking returns in the current year, notwithstanding the additions of new business. Under ordinary, or, perhaps, extraordinary circumstances, however, your directors consider that the state of your capital account (your reserve fund alone being £100,000), and your fine business connection, give fair promise of continued prosperity. Your directors now come to that part of their report which they feel assured will be satisfactory to the proprietors; the business of the past year, after all necessary and prudent deductions, having yielded a net profit of £43,625 14s. 2d. The dividend of 10s., and the bonus of 10s. per share for the first half-year, paid in September last, took £20,000 of this amount; and it is now recommended to this meeting to declare a dividend of 10s. per share, or at the rate of 10 per cent. per annum, and a bonus of 10s. per share, and to authorise the residue, including the small surplus of last year, to be carried forward to the current year.

The account of profit, and the appropriation of the same, pursuant to this recommendation, would stand as follows:—

Balance brought forward in 1853, less £500, presented as a testimonial to Mr. Beaumont	...	...	...	£215	0	11
Net profit of the year 1854...	...	...	...	43,625	14	2
				£43,840	15	1
September dividend and bonus of 10s. each per share	...	...	£20,000	0	0	
Dividend of 10s. per share, payable 1st March next	...	...	10,000	0	0	
Bonus of 10s. per share, ditto	...	...	10,000	0	0	40,000 0 0
Balance to be carried forward	...	...	£3,840	15	1	

The report was adopted; and a half-yearly dividend of 10s. per share, or at the rate of 10 per cent. per annum, and a bonus of 10s. per share, were declared, without deduction, payable on the 1st day of March, the remaining balance of £3,840 15s. 1d. being carried forward to the current year. Thanks were voted to the directors, for their undeviating and successful attention to the affairs of the company.

## Communications.

*To the Editor of the Bankers' Magazine.*

### THE DECIMAL SYSTEM OF ACCOUNTS.

SIR,—More than a page has been occupied in your magazine for April by "Anti-Decimal," in putting forth his abuse of the decimal system of accounts. You will, therefore, probably allow me a short space for the purpose of refuting one of his statements, where he says: "Who could believe that the effect of this proposed division of the pound sterling would be an increase of figures, and, consequently, an increase of labour to the extent of twenty per cent. ? Yet this is the fact. To prove it, let any banker, merchant, or tradesman, enter fifty or a hundred sums of money, containing shillings and pence, and cast them up under our present clear, certain, and simple method of £ s. d., and then enter the same sums, and cast them up under the decimal system."

Now those "same sums" or "shillings and pence," of which Anti-Decimal speaks, with an altered coinage (which he seems altogether to overlook) will then disappear, and with the proposed change in the metals, every denomination below the value of the pound sterling may be expressed by three figures at the most, at the same time exhibiting a lower value than would be shown by the present method with six figures. Take, for instance, the sum of 16s. 11½d.: here are six figures required for the expression of a value, a portion of which descends not lower than the 960th part of a pound, whereas by three figures, under the improved, or decimal system, the 1,000th part of a pound may be included.

The *onus probandi* rests with him to evince the superiority of the present system. He has talked about figures, but I wish to see them. If Anti-Decimal expects me to convert into decimals the present moneys, he will have very little difficulty in supporting his position; for he might write down as many figures as would reach to the Dog star, and then he would not have expressed what would be the decimal of a pound for 6s. 8d. Yet by the new system, the decimal of a pound might be indicated with three figures, answering to any coin in the realm below a pound.

To say that the construction of those numbers by which all our manual operations are performed, is an indication that the decimal principle is based upon the immutable laws of our creation, would be quite as reasonable as anything your correspondent has offered in support of his crude ideas upon the subject.

In fact, I am utterly surprised that any one should have put forth such views in an "age of progress" like the present.

I am, sir, yours faithfully,

April 18th, 1855.

PHENIX.

## A STATE BANK.

SIR,—It is with reluctance that I again trespass upon your valuable columns, but I am anxious to set myself right with your esteemed correspondent, "J. A. S.," whose letter appears in your journal for this month, and in reply to mine which appeared in March last; and, as a disinterested party, I can truly say that I am desirous of keeping the great subject in view, and that alone—it is the paper currency question.

Nothing but a sincere desire to avoid offending ears polite, or to shock the feelings and prejudices of men wedded to systems originating with dark ages, prevents me from condemning, in terms both unmeasured and justifiable, several "State" things, which have been little better than "State" evils and "State" failures; but, of all such things, most assuredly a "State Bank" would be the worst; nevertheless, however ardently such a thing may be desired by men who despair of getting a favourable modification of the Bank Act of 1844, should the question of a "State Bank" ever be entertained by a committee of the House of Commons, I doubt not but that our East India merchants—who have suffered largely from the banking operations of the East India Company—and our Brazilian merchants, would give evidence sufficiently weighty and unfavourable as to prevent the establishment of a "State Bank." Certainly the present moment—looking at the state of public affairs—is against the introduction of such a thing to the bare notice of the public.

I am obliged to your correspondent, "J. A. S.," for reminding me of the six joint-stock banks in London, and other non-issuing banks, whose value and importance he justly estimates. Those banks, sir, it was impossible for me to have lost sight of, when I addressed you in February last, but I did not allude to them then, simply because my remarks had reference exclusively to banks issuing their own notes in 1844, and who were affected by the restrictive clauses of the late Sir Robert Peel's Act of that date. After this explanation, I doubt not but that "J. A. S." will now see that all the facts, arguments, and conclusions advanced in my last letter are strictly correct.

Setting the Bank of England charter, and the question of its renewal, aside, the thing for the nation to consider now, as most practicable, and likely to be attended with the most valuable results, is, the desirableness of placing the paper currency of the country at large upon a better and sounder footing. Is it to be regulated by the base metal alone, and that for ever? It requires, sir, but little investigation to discover that nearly all our national distresses and commercial panics are to be traced to the fact of our having but one measure or standard of value, viz., gold. What carried us through the crisis in 1839-40 but public confidence? For, in September, 1839, the arbitrary thing—gold—was weak indeed, the Bank of England, at that time, having in its coffers only £2,816,000, to meet a circulation of notes of £17,960,000.

The future demands and necessities of a commercial nation like ours, can alone be safely provided for by a restoration to the banking community of the powers and rights enjoyed by them previous to Sir Robert Peel's Bank Act of 1844. It may be well, sir, to preserve that clause in the present law, which requires every bank to publish in the *London Gazette*, from time to time, its weekly circulation of notes; but, in connection with such returns, it is to be hoped, ere long, there will appear not only the amount of gold held in each week by all banks that may hereafter issue their own notes, payable to bearer on demand, but other things of equal value, and upon which, as well as the gold, their respective circulations shall be based.

I am, sir, your most obedient servant,  
T.

Liverpool, 19th April, 1855.

### RETURN OF CHEQUE PRESENTED TO BANKER BY POST.

SIR,—Will you be kind enough to say whether any legal decision has ever been obtained as to the time a banker may retain a cheque drawn upon himself, and received by him for payment, &c., as follows:—

We receive a cheque from our customer, drawn by a third party upon a bank in Bath, to whom we send it; he retains it until the close of the second day, and then returns it as not provided for. I am aware that, if a banker receives a cheque drawn upon another in the same town, he has until the following day to present it, but am anxious to learn whether there has been any legal decision in such a case as I have named, the point, of course, being, whether a banker is bound to return a cheque unprovided for by the first post or not.

Your reply will oblige, yours faithfully,

London, 12th April, 1855.

R. S.

[We are not aware of any decision in point. It is rather difficult to see how a banker can have a liability imposed upon him to return a cheque sent by post. We do not think such a liability exists. It is courteous and customary to return a cheque so sent, if unprovided for, or to advise the payment, but we do not think it obligatory to do either. There may, however, be an express or implied contract regulating such a matter.]

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### BANK NOTE PAPER.

SIR,—Will you allow me to suggest the propriety of using green-tinted paper for bank purposes? I am quite convinced that great injury is done to the sight, by constantly looking at purely white paper. There are seven clerks where I am employed, whose sight is much injured, and I attribute it to this cause, at least in some degree. But I have felt its injurious effects in my own case, although I have not been so long engaged in the business, as those to whom I have alluded. There can be no good reason why tinted (green) paper should not be used, and I think it need only be brought before the notice of the directors and managers of banks, to obtain a favourable consideration. Hoping the importance of the subject may be such as will induce you to call attention to it,

I am, sir, your obedient servant,

March 20th, 1855.

BANK CLERK.

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### WORDS "VALUE RECEIVED"—VARIANCE BETWEEN SIGNATURE OF DRAWING AND INDORSING.

SIR,—Will you be kind enough to oblige me with your opinion on the following bill:—

£50.

"Derby, 9th March, 1855.

"Three months after date, pay to our order Fifty Pounds, for value delivered.

SMITH, JONES, and ROBINSON.

To Mr. Jas. Black, London."

1st. Will value delivered answer the same purpose as value received?  
2nd. The bill is signed "S., J., & R.," by the senior partner Smith, and is indorsed by Robinson, "S., J., & R." Now, of course, the handwriting of the drawer and first indorser will differ. Is a banker justified in refusing payment of such a bill?—as we have had several returned, under similar circumstances.

JUVENIS.

[1. The words "value delivered" are as good as "value received," but neither are necessary.

2. It is better that the drawing and indorsing appear to be in the same handwriting, but unquestionably one member of a firm may draw, and another indorse, and all that the banker has to be satisfied of is, that the signatures are those of one or other of the firm.]

#### BILLS DATED ON SUNDAY.

SIR,—It is the custom of most wholesale houses to draw upon their customers from the 1st of each month, and they do this irrespective of its falling on a Sunday. I shall be obliged if you will give me your opinion as to the legality of such bills dated on a Sunday, and if you think it would prejudice the claim of its holder, in case legal measures were to be necessary to enforce its payment.

I am, sir, your obedient servant,

9th April, 1855.

W. B.

[There is no legal objection to dating a bill of exchange on a Sunday.]

#### BANK OF ENGLAND NOTES A LEGAL TENDER.

SIR,—If a country banker's note is presented at the place from whence it was issued, can the banker pay it with a Bank of England note or notes, and refuse gold, or can the person holding the note refuse the bank notes, and insist upon having gold?

If you answer the first question in the affirmative, might I ask by what authority you do so?

I am, sir, your obedient servant,

Nottingham, April 7th, 1855.

H. H.

[By 3 and 4 William IV., c. 98, Bank of England notes are a legal tender for all sums above £5, except at the Bank of England or its branches.]

#### STAMP LAWS—INLAND OR FOREIGN BILLS.

SIR,—Gilbart, in his Treatise on Banking, fifth edition, page 57, says:—"Bills drawn from Scotland or Ireland are considered as foreign bills." Will you be kind enough to inform me, in your next number, if any alteration has been made in this by the late Stamp Act, or does this only refer to the protesting for non-acceptance or non-payment?—as, I presume, a bill drawn from Scotland or Ireland, on any part of the United Kingdom, or *vice versa*, would be considered as an inland bill, as far as the stamp is concerned. Can you inform me if a new edition of Gilbart has been published? Would it not be an admirable plan if Mr. Gilbart were to publish an addenda and corrigenda\* to his valuable work (which would extend to a good sized book, as so many alterations have been made since the fifth edition was published)? A good explanation of the Stamp Act is much wanted, and I am sure it could not be put into abler hands. My younger brethren would find it too expensive to purchase fresh copies, and I am sure they would all take copies of the Addenda. Mr. Gilbart's work is the principal one from which most of us have to derive information respecting our business, as it is admitted that a learner in a banking-house has generally to find out the principles and routine duties of his employment in the best way he can; therefore I think you will admit that a new edition is now required. Begging you to excuse my troubling you,

I remain, sir, your obliged servant,

JUVENIS.

\* *E.g.*, page 61, fifth edition of Gilbart, sixth line, dele "Bills drawn," etc., to "Usury." Table of stamp duties, dele and insert—



[The stamp laws are the same for each part of the United Kingdom. A bill drawn in any part of the United Kingdom is an inland bill; but if drawn, or even purporting to be drawn out of the United Kingdom, it is a foreign bill as regards the stamp. See 17 and 18 Victoria, c. 83, s. 4. Mr. Gilbert's remark refers to other matters than the stamp, and is still unaffected by recent legislation.]

#### FOREIGN BILL AND DRAFT STAMPS.

SIR,—I am sorry I cannot agree with the opinion in your last, in reply to a "Hampshire Banker." The document referred to not being payable to bearer or order, and so not negotiable, cannot, I think, be deemed a bill of exchange. If it contained the words, "or bearer," it would still be issued more than fifteen miles from its place of payment, and so require a stamp. I conceive it requires the penny stamp (if sent to the party to whom payable) as a letter of credit. If sent to the Winchester bank, perhaps it would be exempt from any stamp duty. An order on this country, payable on demand, drawn abroad, I conceive requires the penny stamp; such is my practice, and I have paid and received many such without any difficulties being raised. A promissory note, on demand, would require the *ad valorem* duty as a bill of exchange, but I think the document referred to would come under "a draft or order on demand."

In reference to the other question, I do not see how bankers can be justified in refusing to pay cheques coming from a distance beyond fifteen miles unstamped. It is generally known bankers do not circulate or negotiate country cheques; therefore, *prima facie*, their so coming cannot prove they have been negotiated or circulated beyond the legal distance—the bank paying such a cheque could not be called on to prove its legality beyond that distance; if there was any litigation, the proof would be on the other side, the English laws presuming a man innocent until proved guilty. The following are extracts I have received from the Inland Revenue Commissioners:—

"It is not incumbent on a banker or other person, receiving or paying an unstamped cheque, to inquire whether it has circulated beyond the said distance of fifteen miles."

"I have to inform you that if the cheque be issued by the drawer thereof within fifteen miles of the bank, the place of issue being truly stated therein, there is no objection to your paying it; the penalty being imposed on the person remitting or sending the draft beyond the said distance, or a person receiving it in payment, or as a security, beyond that distance, or negotiating or circulating the same."

The duty is imposed on negotiating or circulating a document (and I contend a banker, collecting the amount of a cheque for a customer, is not a negotiation or circulation, but an agency) and not on merely travelling; thus you may get a foreign bill accepted (through your banker, if you please) without being stamped, but, before indorsed and negotiated, it must be stamped.

If you can show I am wrong in any of the above views, I shall be glad to be put right, and I think it will be interesting to your readers generally.

I am, sir,

A SUBSCRIBER.

14th April, 1855.

[We are glad to promote discussion, and feel that there is much weight in what our correspondent writes. At the same time, we do not feel disposed to alter the opinion referred to.]

**BILL IN PARTS LOST BY DRAWEE—INTERMEDIATE PARTIES  
—UPON WHOM LOSS TO FALL?—SECOND PART NOT LOST.**

SIR,—Pray favour me with your opinion upon the following singular case :—

A receives from his foreign customer (on the 25th) a draft, drawn by a foreign house, and bearing a foreign banker's indorsement, upon a firm in London. Being nearly due, he pays it on the day of receipt to his banker, B, who, the same day, forwards it to the London agent of his firm, C. C receives it on the 26th. It is due on the 28th. C immediately presents it for acceptance, and on the 27th it is called for.

The answer given is—"The bill cannot be found, and is supposed to have been burnt with some waste paper."

The bill is noted for non-acceptance; on the 28th (the day of maturity) the notary calls for payment, but this is refused, and a reason given is, "The goods represented have been received." The notary then demands his bill; "It is lost," is again the only reply.

Query—"Upon whom should the loss fall?" Working backwards, C says, "I am agent merely to B." B—"I am the banker, it is true, but I used all diligence to convert into sterling money the representative value you intrusted to me." A reports everything to his foreign correspondent, who says, "Send me back the draft dishonoured." It is not forthcoming, so he refuses to remit further, pleading, "I can recover with the draft—without, not." Upon whom falls the loss? I may just add, the second of exchange was obtained, presented, refused acceptance, protested, and returned with protest to the foreign correspondent, but still he refuses to pay under the original plea.

Yours truly,

H. S. B.

Hull, April, 1855.

[We think A and B are clearly discharged from responsibility, having done what rested on them to do with due diligence. We think the London firm responsible to the foreign customer for not returning the bill, either accepted or unaccepted, to his agents B or C. If the value of the bill was affected by some circumstance connected with it, then that would be a consideration, in estimating the damages payable (if any) by the London firm.]

## Notes of the Month.

**LONDON BANKING.**—At a meeting of the Statistical Society, Dr. Guy, one of the honorary secretaries, read a paper, entitled "A Ten Years' Retrospect of London Banking," by Mr. J. W. Gilbart, F.R.S., of which the following is an abstract:—The author commenced by reciting the provisions of the Bank Charter Act of 1844, in respect to shareholders, and entered into an analysis of the London banking establishments. The number of private banking firms who attended the clearing-house in 1855, was 25, having an aggregate of 103 partners. The number of private banking firms east of Temple-bar, who were not members of the clearing-house, was 21, having 54 partners. The number of private banking firms west of Temple-bar was 13, having 48 partners; making a total of 59 London private banking firms, having a total of 205 partners. The author then proceeded to classify the London joint-stock banks. They were 6 in number, and had, in 1855, an aggregate of 4,323 shareholders, viz.:—3,176 gentlemen, and 1,147 ladies. Among the gentlemen were 64 officers in the army, 20 officers in the navy, and 144 clergymen. Analysing the female shareholders of 5 out of the 6 banks, it appeared that 73 were married, 329 were widows, and

693 were spinsters. In 1845, the proportion of female shareholders to gentlemen were 18 per cent. In 1855, there were 36 per cent.; indicating thereby, that, during the last 10 years, the ladies had become more enamoured of London joint-stock banks than the gentlemen had. In 1855, the joint-stock banks carried on business in 23 localities in London. The paid-up capital of the London joint-stock banks in 1855 was £2,772,795; the surplus fund, £486,217; and the deposits, 26,338,588.

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**FORGERIES ON THE NATIONAL BANK OF IRELAND.**—John Dalton, an architect in respectable practice, has been committed at Carrick-on-Suir, for forging the name of the Marquis of Waterford on three bills of exchange for £500, £660, and £700, on which he obtained the sum of £1,860 at the National Bank.

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**THE FAILURE OF MESSRS. OLDFIELD.**—At a meeting, at Huddersfield, of the creditors of Messrs. Oldfield, Allan, and Co., woollen merchants and manufacturers, whose suspension was recently announced, the following statement of liabilities and assets has been submitted, showing a nominal surplus of £8,475. The difficulties of the firm are explained to have arisen from the non-receipt of anticipated remittances from Australia, at a moment of particular pressure on their resources:—

<i>Dr.</i> —To accounts owing by Oldfield, Allan, and Co. .. ..	£35,866	1	6
<i>Cr.</i> —By stock of cloth in work and at Huddersfield .. ..	£10,294	10	0
Wool, yarn, &c., at Huddersfield and elsewhere.. ..	6,289	1	8
Machinery and dead stock .. ..	3,817	11	2
Accounts owing to Oldfield, Allan, and Co. .. ..	7,599	5	1
Accounts against Melbourne branch .. ..	8,335	0	11
Profits as per Australian balance-sheet .. ..	1,005	14	2
Estimated value of S. Oldfield's property.. ..	6,500	0	0
	<u>£44,341</u>	<u>3</u>	<u>0</u>

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**DAYS OF GRACE.**—A movement is being made to obtain the abolition of the absurd custom of allowing days of grace, in reference to the payment of bills of exchange.

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**ABSCONDING BANKRUPTS.**—Messrs. Davidson and Gordon, the representatives of a mercantile firm, largely connected with the East India and metal trades, whose transactions with Mr. J. W. Cole last year occupied a good deal of attention, have been taken into custody at Malta, and brought to this country.

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**THE BANK OF VICTORIA ROBBERY.**—Henry Beresford Garratt has been apprehended in London, charged with having, on the 6th October, 1854, been engaged with others, at Ballarat, in the colony of Victoria, in robbing the Bank of Victoria of £14,300 sterling and 230 ounces of gold. His capture was effected by the detective police, and receipts for a considerable sum of money—a portion of the plunder—have been found upon him. When taken, he was “armed to the teeth;” and, at his lodgings in King-street, Holborn, “revolvers” and other dangerous weapons were discovered. It appears he came to England by the *Dawstone*, from Sydney, and the warrant for his apprehension followed by the *Argo* steamer, from Port Phillip. One of his accomplices, it is stated, has confessed the whole particulars connected with this daring robbery, and hence his arrest.

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**MARINE LIFE AND CASUALTY MUTUAL ASSURANCE SOCIETY.**—At the meeting of the members of this society, on Wednesday, the 21st February, Mr. P. D. Hadow in the chair, a very satisfactory report was agreed to.

It stated that, although the society has been little more than two years in existence, its operations, which at first were limited to the officers and seamen of those companies under whose auspices it was established, have already become so extensive, as to embrace a considerable number of the general body of mariners of this and other ports. In the twelve months ending December 31st, 1854, 341 policies were issued. The income for new premiums during that period amounted to £2,385, while the total receipts from new and renewal premiums within the year exceeded £7,300. These figures justify the founders of the society in their anticipations, that, if the benefits of Life Assurance were made accessible to mariners, they would not hesitate to avail themselves of them. On the other hand, although, during the same period, the disasters to shipping have far exceeded the average, and the general mortality has been unusually high, the claims have been comparatively few. In some of these cases, the assured have left no provision for their families beyond the amount secured by their policies; and a knowledge of this fact has induced several of the same classes to join the society as members. While the progress of the society with respect to mariners' insurances has been so satisfactory, its operations are being extended amongst another class—namely, the *employés* of the leading shipping companies in their establishments on shore. Already, a considerable number of those in the home service of the Peninsular and Oriental Company, availing themselves of the liberal encouragement held out to them, have joined the society, and the directors have reason to expect that their example will be extensively followed. The directors, in conclusion, invite the attention of the maritime classes especially, to whose requirements this society is so eminently adapted, and that of the public at large, to the principle upon which this society has been formed, the firm basis upon which it is established, and its successful progress up to the present time. This has been mainly owing, hitherto, to the great exertions of its founders and leading members. But the board now look with confidence to the co-operation of all those connected with the society, and desire to impress on them the consideration, that, in proportion to the successful exertions of its members, will the benefits which they have secured for themselves and for their families be increased.

**STATISTICS OF TALLOW, HEMP, &c.**—A return just issued, on the motion of Mr. Ricardo, M.P., shows that, in the year 1854, the importations of tallow from all parts amounted to 754,359 cwt., against 1,175,754 cwt. in 1853, and 1,049,703 cwt. in 1852. The falling off in the imports of tallow from Russia amount alone to 766,289 cwt.; the quantity imported in 1854 having only amounted to 58,564 cwt., against 824,853 cwt. in 1853. The largest importations in 1854 were:—From Russia, 58,564 cwt.; from ports in the Black Sea, 32,208 cwt.; from Prussia, 253,955 cwt.; from France, 31,986 cwt.; from British India, 13,384 cwt.; from Australia, 75,609 cwt.; from the United States of America, 89,480 cwt.; from the Republic of the Uruguay, 24,582 cwt.; from Buenos Ayres, 132,847 cwt.; and from other parts (not mentioned) 28,576 cwt. Of hemp, the imports in 1854 amounted to 1,211,297 cwt., against 1,237,872 cwt. in 1853, and 1,074,287 cwt. in 1852. The imports of hemp from Russia have declined from 813,188 cwt. to 20,546 cwt., but the deficiency was supplied from Prussia, the imports from which country rose from 8,447 cwt. to 366,220 cwt., and from British India, the imports thence having risen from 320,672 cwt. to 580,913 cwt. The imports of linseed and flax seed amounted to 827,714 cwt. in 1854, against 1,085,335 cwt. in 1853, and 799,402 cwt. in 1852. The imports from Russia fell from 378,320 cwt. to 26,460 cwt. Of flax, dressed and undressed, the imports in 1854 amounted to 1,303,335 cwt. against 1,883,374 cwt. in 1853, and 1,402,583 cwt. in 1852. Those from Russia fell from 1,287,983 cwt. to 185,798 cwt., Prussia, as usual, chiefly making up the deficiency. The imports of tar amounted to 12,144 lasts, against 14,506 lasts in 1853, and 12,907 lasts in 1852. Those from Russia fell

from 11,581 lasts to 4,042 lasts. Lastly, the imports of wood and timber (deals, battens, and boards), amounted to 1,266,941 loads, against 1,345,393 loads in 1853, and 1,118,350 in 1852. From Russia the imports fell from 255,855 loads to 25,749 loads, the deficiency having been mainly supplied from British North America.

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**INDIAN LOANS.**—It appears that a notification has at length been issued by the Government of India, intimating their intention to discontinue the existing Government agencies for managing their loans, and that some of the joint-stock banking establishments connected with that country are preparing to assume those duties for the convenience of the general public.

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**CUSTOMS DRAUGHTS.**—The new transfer draughts to obviate the risk long complained of by the importing houses of London, in being compelled to make all duty payments at the Customs in bank-notes, have been issued by the Bank of England to such of the various banking firms as may be disposed to accommodate their customers with them. Under this system, a firm having duties to pay will be able to send a crossed check for the amount to their bankers, who will give for it one of these new transfer draughts on the Bank of England, payable to the Customs only, and which will immediately be accepted by them as cash.

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**AMERICAN CANALS.**—The keeping in repair the first section of the Erie Canal has been let out to contractors for five years, for the sum of 43,000 dollars a year. The persons who have undertaken the contract are Abram Vernam, of Livingston county, and Charles Sherrill, of Washington county. In connection with the Erie Canal proper, the contract compels them to excavate the Albany basin, an area of eighty acres, to the depth of seven feet below low water mark, and keep it in that position. This is the section of the canal which cost the State 120,000 dollars for keeping it in repair during the last year, and there is strong presumptive evidence that an additional 20,000 dollars, which should have been placed in the same column, was charged to enlargement.

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## BANK MOVEMENTS.

The directors of the Bank of London are about to make arrangements for raising capital without delay, in order to commence business, the deed of settlement having been approved by the Board of Trade.

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The prospectus of the Unity Mutual Joint Stock Banking Company has been circulated both in the metropolis and the provinces, and its proposed principles have been keenly discussed in all quarters.

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The directors of the City Bank state that the deposits upon the whole number of shares have been received and paid into the Bank of England. The deed of settlement is now before the Board of Trade, and, when it shall have been approved and signed, the charter of incorporation will be applied for.

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At the election for Governor and Deputy-Governor of the Bank of England for the year ensuing, Mr. Thomas Matthias Weguelin was chosen Governor, and Mr. Sheffield Neave, Deputy-Governor. The only new name in the list of Directors is Mr. J. P. Currie. The others are as follows :—Mr. Thomas Baring, Mr. Henry Wollaston Blake, Mr. Henry Hulse Berens, Mr. Arthur Edward Campbell, Mr.

William Cotton, Mr. James Pattison Currie, Mr. Bonamy Dobree, Mr. Charles Pascoe Grenfell, Mr. Thomas Hankey, jun., Mr. John Benjamin Heath, Mr. John Gellibrand Hubbard, Mr. Charles Frederick Huth, Mr. Alfred Latham, Mr. George Lyall, Mr. James Malcolmson, Mr. Thomas Masterman, Mr. Alexander Matheson, Mr. James Morris, Mr. George Warde Norman, Mr. John Horsley Palmer, Mr. Henry James Prescott, Mr. Thomas Charles Smith, Mr. Thomas Tooke, jun., Mr. Francis Wilson. It is a noticeable fact, that the introduction of the new Governor to his duties was immediately followed by his attendance, with his colleague, at the Treasury, to take part in the negotiation of the loan.

## Reviews.

*On the Loans raised by Mr. Pitt during the First French War, 1793-1810; with some Statements in Defence of the methods of the Funding employed.*  
By W. NEWMARCH. Effingham Wilson, Royal Exchange.

A VERY timely production, affording much interesting information on the subject discussed; the statistical portion not being the least interesting. The writer has evidently gone carefully into the history of the period, and hence he has been able to bring together much valuable information. To all who desire to make a contrast of the financial operations of the present with those of the past century, we do not know a publication which, within so small a space, gives such a vast amount of well-arranged facts.

*Decimal Coinage familiarly explained in Theory and Practice.* By O WALFORD, Jun. Pitman, Paternoster-row. *Suggestions for a Single System of Decimal Notation and Currency, after the Portuguese Model.* By J. ALEXANDER. Menzies, Edinburgh.

THE movement in favour of a decimal currency is making rapid progress, and the appearance of numberless pamphlets on the question shows the great interest taken in it. That a variety of proposals will be made—every writer being, of course, in favour of his own system—is to be expected; but, although this difference of opinion may temporarily occasion perplexity, the right one will doubtless be discovered at last, and adopted.

*Tables to find the Standard or Fine Weights of Gold and Silver.* By G. N. ADAM. Smith, Elder, and Co., Cornhill.

THIS is a useful publication; the tables of logarithms being accurate, and well arranged for reference.

*Logic for the Young.* By the Author of *Logic for the Million*. Longman and Co., Paternoster-row.

A VERY able and useful treatise, consisting of twenty-five lessons in the art of reasoning, selected from the logic of Dr. Watts. The initials of the writer are well known, and his works on banking hold a first-class position in our literature. In this, as in his other productions, he has been extremely successful in presenting what he proposes to illustrate in a lucid and intelligent manner.

## MONTHLY CHRONOLOGY.

April 3.—Intelligence was received by the American mail of the following failures in San Francisco:—

Messrs. Page, Bacon, and Co., bankers.

Messrs. Adams and Co., bankers; their liabilities estimated at £350,000.

Messrs. Robinson and Co., bankers.

Messrs. Wells, Fargo, and Co., bankers; but they have since resumed business.

The Miner's Bank, kept by Mr. A. S. Wright.

All the above-named firms suspended on the 23rd of February.

10.—Mr. T. M. Weguelin elected Governor, and Mr. S. Neave Deputy-Governor, of the Bank of England for the ensuing year.

15.—Notice issued by the Chancellor of the Exchequer that he would require a loan of £16,000,000.

16.—Arrival in England of the Emperor and Empress of the French, on a visit to Queen Victoria.

17.—News arrived of the commencement of the bombardment of Sebastopol on the 9th.

20.—The loan of £16,000,000 taken by Messrs. Rothschild.

20.—The Chancellor of the Exchequer made his annual financial statement in the House of Commons.

23.—Intelligence received of the termination of the Vienna Conference on the previous day, in consequence of the rejection by Russia of the terms proposed by the Allied Powers with reference to the future control of the Black Sea.

24.—Lord John Russell left Vienna on his return to England.

25.—Blockade of the Baltic ports by the Squadron of the Allied Powers proclaimed at Memel.

## BANKING OBITUARY.

April 24, Mr. Geo. de Bosco Attwood, Secretary of the Bank of North America, fell down dead whilst reading over to the Board of Directors some minutes connected with the affairs of the establishment. The deceased gentleman was in the 47th year of his age. The cause of death was disease of the heart.

*Monetary Intelligence.*REVIEW OF THE MONEY MARKET FOR THE MONTH OF  
APRIL, 1855.

MOMENTOUS changes have lately occurred in connection with the progress of financial and mercantile affairs. The negotiation of a loan for £16,000,000, with the presentation of a Budget exhibiting a total deficiency of £23,000,000, are circumstances which could not fail to attract attention—the more so, since there seems no immediate prospect of terminating the difficulties which create this drain upon our resources. Favourable as the public are to the prosecution of the war, the scale of expenditure, considering the results, has increased far in proportion to the estimates made in the early stage of the contest. Disappointment has consequently been expressed at the delay of the Government in pursuing measures to supply the rapidly augmenting demands upon the Treasury. At this conjuncture, there has fortunately been a greater abundance of money than has been known for months past, and hence no alarming difficulty has intervened to arrest the efficiency of the proposed plans. A reduction of the rate of discount by the Bank

Directors from 5 to 4½ per cent., at the beginning of April, paved the way for the introduction of the principal operations contemplated by the Chancellor, the surplus of available capital being considerably in excess of the ordinary demand. With an allowance for deposits of only 3½ per cent. by the Lombard-street houses, and the general expectation that a further decline in those terms was imminent, the opportunity was favourable; and, embraced as it has been, the transaction is regarded in many quarters to have been advantageously concluded. Even with this large amount hanging above the market, the demand for accommodation has not improved, and loans on English stock can be obtained at 2 per cent., while first-class paper is taken at 3½ to 4 per cent. If this abundance of money continues undisturbed, and the foreign exchanges maintain their present favourable position, the Bank executive, it is thought, will have again, at no distant date, to make a reduction. The supplies of specie from Australia are not so extensive as they were, but the American remittances may still be regarded as large.

The extreme variation in Consols has been this month over 4 per cent., the highest quotation, taking the dates of our comparison, having been 93½, and the lowest 88½. It may be readily conceived that several causes have contributed to this unfavourable re-action, the principal among which have been the disposal of savings bank stock by the Government, the negotiation of a loan, and the character of the intelligence from Vienna. Previously, there had been much firmness in the market, and an advance had taken place, promoted by the increased abundance of money, and the alteration in the Bank's rate of discount. When the operations of the Chancellor commenced on account of the savings banks, followed by the proposal to raise £16,000,000, a continuous decline occurred, which was sensibly aggravated on the discovery that Russia had refused the concession required by the third point before the Conference, without even condescending to offer counter propositions. Steady purchases of stock by the public, since the great fall, have produced a slight recovery, but no permanent advance is yet likely to ensue. The nearest quotation at the latest moment is 89 to ½.

An active business has taken place in the Omnium of the new loan. The first transactions were at 1½ premium; subsequently, a decline was noticeable, and it went to 1¼ premium. When the sudden depression occasioned by the break-up of the Vienna Congress was announced, there was a drop to ¾ premium. Since, purchases have been made at the reduction, and the quotation is again ¾ premium. The first payment of 10 per cent. deposit was made by the contractors on the 24th of April, the subscribers having paid at the period they sent in their subscriptions.

In foreign securities, the course of fluctuation has been less extensive. Although prices have been generally unfavourably affected by the fall in English stocks, the sympathy has not been to the full extent. Turkish has suffered the greatest depreciation, having gradually receded from 80½ with dividend, to 73½ ex-div., equal to a depression of nearly 4 per cent. Sales have been freely effected by the speculators, who entertain an impression that the remaining £2,000,000 will have before long to be forced on the market at any price. The average decline in other cases has been from 1 to 2 per cent.

Railway shares, until within the last week, have been well supported. In the face of the loan, there has been a disposition to make investments in the best descriptions; but quotations are at length giving way, and exhibit symptoms of increased weakness. The traffic has been interfered with, through the coldness of the season, but we may now look forward to some



augmentation. The fall in prices may be taken at from £1 to £2, though in some cases it is rather larger. A feature in business, is a steady demand for shares in the guaranteed Indian lines, the whole of which have reached a good premium.

Banking and land shares have been affected by the general dulness in business, and quotations are rather lower. The decline, however, has not been serious, but some difficulty would be experienced in negotiating the high-priced securities.

The produce markets have not been influenced in an important degree by the changes in the tariff. A moderate amount of business has been done at rather higher quotations. In tallow, a further advance has taken place, the blockade of the Baltic, and the appearance of a prolongation of the war having increased purchases. Rice shows an improvement, operators acting on the movement in the grain trade.

The following are the fluctuations in the English and Foreign Stocks and Railway Shares during the month just concluded:—

	Price on March 28.	Highest.	Lowest.	Price on April 27.
<b>ENGLISH FUNDS.</b>				
Consols ... ..	92½ to ½	93½	88½	89 to ½
Exchequer bills' average ... ..	6s. to 9s. pm.	10s. pm.	4s. pm.	7s. to 10s.
<b>FOREIGN STOCKS.</b>				
Brazilian ... ..	—	99½ ex. d.	98½ ex. d.	99
Buenos Ayres ... ..	53½	54½	53	53
Chilian ... ..	—	104½	102 ex. d.	102
Dutch, 2½ per cent. ... ..	63	63½	62½	62½
Mexican ... ..	20½	21½	20½	20½
Peruvian, 4½ per cent. ... ..	70	71	68	70
Portuguese, 4 per cent. ... ..	—	43½	41½	42
Russian ... ..	99½	100½	98½	99
Spanish ... ..	36½	37	36½	36½
<b>RAILWAY SHARES.</b>				
Brighton ... ..	98	99½	97½	98½
Caledonian ... ..	64	64½	58½	59
Eastern Counties ... ..	11½	11½	11½	11½
Great Northern ... ..	88½	89½	88	89
Great Western ... ..	65½	65½	63½	63½
Lancashire and Yorkshire... ..	76½	76½	75½	75½
London and North Western ... ..	99½	100½	97½	98
Midland ... ..	69½	70½	68½	68½
North Staffordshire ... ..	—	13	12½	12½
South Eastern ... ..	61½	62½	60	60½
South Western ... ..	83½	83½	82	81½
York, Newcastle, and Berwick ... ..	71½	72	70½	70½
York and North Midland ... ..	49	49½	47½	48
East Indian... ..	22½	23½	22½	23½
Northern of France ... ..	—	35½	34½	34½

#### THE STATE OF TRADE.

THERE has been no general revival in trade, and the manufacturing interests seem greatly inclined to restrict operations. Little variation is consequently expected in the aspect of business relations, especially while the export demand abroad remains in its present inactive position.

THE GRAIN TRADE.

THE weather continues unseasonable, but the accounts of the progress of agricultural operations are, on the whole, satisfactory. A favourable change, however, would materially influence business, which has latterly been conducted on a very limited scale owing to the holidays, including Good Friday, and those accompanying the visit of the Emperor of the French. Quotations since the middle of April have exhibited a tendency to increased firmness, but it is not expected that a high range will long prevail, unless doubtful events take place in the East. The supplies from all quarters have been moderate.

The *Gazette* returns for England and Wales have been:—

	Week ended 1855.	Wheat Qrs. sold.	Weekly Average. s. d.	Six Weeks' Average. s. d.	Duty. s. d.	Corresponding Six Weeks Last Year. s. d.
March	24.....	82,905 ...	66 6 ...	68 2 ...	1 0 ...	79 0
"	31.....	92,743 ...	68 7 ...	67 11 ...	1 0 ...	78 1
April	7.....	98,982 ...	68 5 ...	67 10 ...	1 0 ...	77 3
"	14.....	96,342 ...	68 4 ...	67 9 ...	1 0 ...	77 3
"	21.....	98,416 ...	68 8 ...	67 11 ...	1 0 ...	77 4

The importations since the harvest of 1854 have been:—

	Wheat. Qrs.	Other Grain. Qrs.	Total. Qrs.
Thirty-four weeks ended 14th March ...	994,097	1,435,777	2,429,874
Five weeks ended 18th April.....	95,187	132,302	227,489
	1,089,284	1,568,079	2,657,363

And the weekly averages have been:—

Thirty-four weeks ended 14th March .....	29,000	42,000	71,000
Five weeks ended 18th April .....	19,000	26,000	45,000
	Less 10,000	16,000	26,000

EAST INDIA REMITTANCES.

AMOUNT OF BILLS DRAWN FOR.

From the 26th of March to the 7th of April	Bengal.....	£17,560	7 10
	Madras.....	4,286	10 1
	Bombay ...	1,063	10 0
From the 7th to the 24th of April .....	Bengal.....	5,171	0 4
	Madras.....	4,015	8 11
	Bombay ...	212	10 0
		£32,299	7 2

NOTICES TO CORRESPONDENTS.

With the present double number we have been able to bring up nearly the whole of our arrears. Some one or two articles still stand over for want of room. All inquiries should, if possible, be forwarded by the 20th of the month.

R. S.—The question deserves attentive consideration, and will be dealt with shortly.  
VENTURA.—The new banks will commence business immediately the requisite preliminaries shall have been completed.

A. T. W.—An investigation has already been opened, but the result, so far as the creditors may be concerned, appears exceedingly doubtful.

Reserved too late for attention this month, "A Country Banker," "A Gloucestershire Clerk."

**THE ENGLISH FUNDS.—Daily Prices from 28th March to 27th April, 1855, inclusive.**

	28	29	30	31	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
Bank Stock (div. 9 per Ct.)	—	—	216	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3 per Ct. Red. Anns.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5 per Ct. Consols Anns.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
New 3 per cent. Anns.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ditto ex div. for opening	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
New 2½ per cent.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Long Anns. Jan. 6, 1860	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ditto 30 years, Oct. 10, 1859	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ditto 30 years, Jan. 5, 1860	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ditto 30 years, A. S. 1855	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
India Stock (div. 10½ per cent.)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ditto Bonds £1000 (div. 4 p.c.)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ditto, under £500	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Bank Stock for ac. 11th April	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
S. P. Ct. Cons. for ac. 11th April	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ditto, 10th May	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
India Stock for ac. 11th April	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ditto, ditto, 10th May	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Omnium	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ex. Bill £1000, 2½d. per diem	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ditto, £500 do.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ditto, Small do.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ditto Bonds scrip A 1848 3½ p.c.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ditto Scrip B 1859	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

**GOOD FRIDAY.**

**JOINT-STOCK BANKS.**

	London	Latest Prices.
Australasia	£40	0 pd. £80
British North American	50	0
Commercial of London	100	30 0
Colonial	100	35 0
London and Westminster	100	30 0
London Joint Stock	100	30 0
Oriental Bank	100	30 0
Provincial of Ireland	100	30 0
National of Ireland	100	30 0
National Provincial of England	100	30 0
South Australian	100	30 0
Union of Australia	100	30 0
Union of London	100	30 0
London and County	100	30 0
London Chartered of Australia	100	30 0
English, Scottish, and Australia	100	30 0
Bank Chartered	100	30 0
Bank of India, China, and Australia	100	30 0
New South Wales	100	30 0

**FOREIGN STOCKS (27th April.)**

Brazilian Bonds, 5 per Cent.	94
Chilian Bonds, 6 per Cent.	107
Danish 5 per Cent.	107
Mexican 5 per Cent.	107
Peruvian 4½ per Cent.	107
Portuguese Bonds, 4 per Cent.	107
Russian Bonds, 1852 5 per Cent. in £ Ster.	107
Ditto, 4½ per Cent.	107
Spanish Bonds 3 per Cent.	107
Ditto, 3 per Cent. Deferred	107
Turkish 6 per Cent.	107
(Dividends on the above payable in London.)	
Austrian 5 per Cent.	107
Belgian Bonds, 4½ per Cent.	107
Dutch 5½ per Cent.	107
Ditto 4½ per Cent. Loan	107
French 4½ per Cent. at Paris, April 26, 27, 28.	107
Ditto 3 per Cent., ditto	107

**RAILWAY SHARES.**

	Constant.	Paid up	Prices
Caledonian	100	100	Mar. 27.
Eastern Counties	100	100	Apr. 27.
Great Northern	100	100	114
Great Western	100	100	80
London and Blackwall	100	100	63
London and Brighton	100	100	72
North-West	100	100	98
Midland	100	100	83
North British	100	100	69
South Eastern	100	100	29
York, Newcastle, & Berwick	100	100	71
York & North Midland	100	100	49

The closing prices of the day are quoted.

# THE BANKERS' MAGAZINE;

AND

Journal of the Money Market.

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JUNE, 1855.

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## LONDON MERCANTILE MORALITY.

THE annals of mercantile affairs have lately presented some extraordinary disclosures, with respect to the manner in which business may be transacted, and devices adopted to support credit, not only abroad but also at home, when liabilities inconveniently press, and awkward emergencies intervene. Our own railway mania, with Mr. Hudson's delinquencies—the New York explosion of last year, with the Schuyler and other frauds—and the enormous expansion of paper accommodation in Liverpool and Manchester—have each in their turn furnished a topic for financialists to criticise, and moralists to descant upon. Even the reckless conduct of merchants, such as Mr. J. W. Cole, and Messrs. Davidson and Gordon, has received its measure of condemnation, but not to the extent it deserves, according to the accredited accounts of the examinations which have taken place before Sir Peter Laurie at Guildhall. High as the reputation of the worthy magistrate stands, for having hunted down that most impudent and specious project, the West Middlesex Insurance Company, he will have rendered a further essential service to the commercial interests of the country, by having patiently investigated the transactions brought to light through the proceedings taken against these culprits.

After what has now transpired, we think that there can be no question of a conspiracy having existed between Cole, Davidson, Gordon, and Maltby, for the introduction of fictitious warrants, to suit the convenience of their operations, whenever they were required, and that the facilities they obtained for raising money in all directions, emboldened them to prosecute and extend their designs. The evidence is clear upon this point, since it is admitted by every person who appears to have had dealings with

them, that wherever a difficulty arose in the settlement of a loan, recourse was always had to warrants, which, as tangible securities, were readily accepted.

The outline of the whole case does not vary from that which was elicited when Mr. Cole was made responsible for the part he took in this reprehensible affair; but the facts exhibit, in strong colours, the laxity of the system which has grown up in connection with our money accommodation system. Who could have supposed that these parties—Cole, and Davidson and Gordon, in particular—after having suspended in 1847-48, would have been able to assume a position such as they appear to have occupied among bankers and discount brokers, so as to contract a debt with one establishment for between £80,000 and £120,000. Rumour had all along made free with the names of individuals who were presumed to be largely interested in these estates; but it was strongly contradicted, the whole of their advances being said to have been covered. If competition be so rife that speculation of the most dangerous character is encouraged by the readiness to make loans on any class of securities, a few such losses as these may eventually produce caution. It seems singular enough, that Davidson and Gordon, in their various transactions, were wholly at fault, the distillery being the one great source from which they were to relieve themselves from their embarrassment. Cole, although an associate, and equally culpable in the circulation of fictitious warrants, had, if his story is to be believed, been at one period so far successful as to have possessed a large surplus. Not so, apparently, with the others. They were compelled to resort to every expedient they could devise, to provide funds from time to time to prop their failing fortunes, and save their characters from being blasted as practised swindlers—even being, in special instances, compelled themselves to acknowledge their true position to their creditors.

A sorry picture is indeed exhibited in the mass of complicated testimony produced against them. Tempted to flight, they are tracked throughout their whole wanderings, and, after the lapse of nearly a year, they are compelled to face justice, and render her her due. Men who have moved in the best sphere, captured and brought to the felon's bar, arraigned for frauds of the most discreditable nature! From first to last, they seem to have been systematically perpetrated, and for operations which could scarcely end in anything but severe loss. The result of the present investigation cannot be unanticipated. Messrs. Davidson and Gordon will be sent for trial, and a conviction is sure to follow. Mr. J. W. Cole has already been sentenced to four years' penal servitude, and his punishment has, therefore,

been apportioned. All, then, remaining to be disposed of are the fragmentary estates, which, in either case, may be considered nearly penniless, the accounts exhibiting enormous liabilities and very trifling assets.

But, surely the public will be prepared to draw some useful inference from this most distressing exposure. They will look, and with some concern, to a special circumstance which has transpired in the course of the investigation. Without invidiously alluding to any particular firm (for the evidence gives the whole narrative), there does seem good ground for questioning the course pursued by one house, in not denouncing these delinquents when a discovery of their frauds was first made. Messrs. Davidson and Gordon, and Mr. Cole, suspended payment in June, 1854; but it appears that, owing to a want of punctuality in the repayment of loans to the firm in question, the acting partner drew from Gordon the admission that the warrants deposited were fictitious, so early as October, 1853. Meanwhile, the delinquents are allowed to continue their career, and subsequently obtain advances from other money lenders and brokers, on the lodgment of similar securities.

It is not necessary to repeat half the unkind comments that have been volunteered respecting this doubtful leniency, but it has given rise to an unsatisfactory feeling with regard to what may be considered the true course that should have been adopted on such an occasion. The knowledge of the existence of a fraud of the magnitude they must reasonably suppose it to be, since the firm must be well aware that they did not provide the whole of the accommodation obtained by Davidson and Gordon, and Cole, ought at once to have induced them to forego all personal interest—if interest were supposed to interfere—and to have crushed it on the spot, leaving those who had organised the conspiracy to assume its consequences. As one of the chief heads of the money market, it was incumbent upon the partners, or those who knew of the transaction, to have brought it openly to light, and prevented the introduction of any additional quantity of these simulated documents.

No explanation or justification of conduct like this can be offered. The mistake has been made, and, whether it is to be attributed to the delicacy of announcing a loss, or other secret motive, it has, in this instance, recoiled with startling severity. There have been cases in which all investigation has been objected to, because the "sledge hammer of bankruptcy" would, it was intimated, destroy the prospects of creditors. Winding-up under inspection has consequently been a convenient mode of adjusting an estate, and distributing assets, without the tedious ordeal of proof of debt or official assignees' inquiries.

*Apropos* of this investigation, the "sledge hammer" of another tribunal has rendered more efficient service.

EXAMINATION INTO THE AFFAIRS OF MESSRS. DAVIDSON AND GORDON, AT GUILDHALL, ON THE 17TH AND 24TH OF MAY, 1855.

Daniel Mitchell Davidson and Cosmo William Gordon, who carried on business in the city of London, as general merchants and metal brokers, and at West Ham, as distillers, were brought up on remand, before Sir P. Laurie, charged with not surrendering, after they had been adjudged bankrupts, with fraudulently concealing a portion of effects, and with uttering fictitious warrants.

Mr. Ballantine conducted the prosecution; Mr. Bodkin appeared for Davidson; and Mr. Clarkson defended Gordon.

Mr. Henry William Law said,—I am a colonial broker, at 38, Mincing-lane. I know the prisoners, and I have had dealings with them to a large extent, by advancing money on security. I advanced to them, at different times, about £15,000 or £20,000. The balance against them, at the present moment, is between £8,000 and £9,000. I hold some warrants which were given me by Gordon in the beginning of 1852. We had a vast number of transactions. I have thirteen warrants, which profess to relate to goods alleged to have been at that time at Hagan's wharf. I went to the wharf, and ascertained that there were no goods in existence there of the kind mentioned in the warrants. Some of these warrants turned out to be duplicates of other warrants. Genuine warrants usually circulate like bank-notes. Those I produce represent spelter to the amount of £10,000 or £12,000, which would have fully covered my claim.

Mr. David Barclay Chapman said,—I am a member of the firm of Overend, Gurney, and Co., of Lombard-street. We call ourselves money-lenders. I have known Gordon some years. He was originally in the house of Sargent, Gordon, and Co., and he subsequently renewed negotiations with us in 1848, and continued to do so down to October, 1853. During the year 1852 to 1853, he deposited warrants with us for the purpose of obtaining advances of money of us upon them. The warrants we hold represent goods to the amount of £80,000. These fictitious warrants were mixed up with other warrants, and so eluded the observation of our managing clerk. They were so artfully made out, that it was next to impossible to detect the imposition, particularly as we knew him to be connected with Sir Charles Forbes's family, and highly respectable. The loans fell due, from time to time, and were renewed, and, fearing no risk, we continued the transactions with him. All these warrants are, I believe, what is called fraudulent, but I cannot speak positively. I have not been able to find the goods they represent. I only know this, that when our clerk went down to the wharf to inquire about them, he found the warehouse empty. We discovered these warrants were fictitious in October, 1853, and about the same time I saw Gordon at our house in Lombard-street. That interview took place in the presence of Mr. Cole.

Mr. Ballantine here explained, that Mr. Cole was now lying in Newgate, having been tried and convicted some few months back for fraud.

Witness—Mr. Cole came with Gordon. We had previously made the discovery that the warrants were not genuine. We became dissatisfied in consequence of the loans on these warrants being deferred from time to time, although it appeared to us that our risk was completely covered. I had sent the broker to examine the copper and spelter, and when I told him that I should not be satisfied unless I went to the wharf, he (the broker) told me that Mr. Maltby, who held the wharf, was under the control of Cole. Upon that I went to Cole and asked him if these warrants were all right, and he said they were not—there was something wrong about them. I cannot say what took place between us at the interview I have mentioned, because the conversation was general. I asked Gordon what was the extent of the fraud, and how he had disposed of the money. I cannot say what were the exact words that passed at that time. But when Gordon and Cole came to our house I asked Gordon if the warrants represented goods or nothing, and he replied, "Nothing." I cannot say he admitted the fact in words, but he shook his head, and looked as if to intimate that it was so. He

said the distillery at West Ham was all right, and that he was making £1,000 per week by it.

Sir P. Laurie—What was the conversation that took place?

Witness—Nothing; we made no arrangement with Gordon before he left, nor did I receive any security. We received no security from Cole. Gordon offered me the lease of his distillery, but we returned it. The lease was left for our solicitor to look over, but we never received it as security. We received nothing after this. We received a promissory note of Davidson and Gordon, payable to Cole, Brothers, for £120,000. Cole represented himself as perfectly solvent, and that the money we had been robbed of had been lent to the distillery. The deeds of the distillery were given up to the assignees on Cole's becoming a bankrupt. Cole did not deposit anything with us at the time; we had the warrants to a very large amount. £120,000 would cover it. We had no dealings with them after that. The securities which were good were afterwards realised.

Mr. W. Boyce said,—I am clerk to Overend, Gurney, and Co. The dealings with the prisoners were transacted through me. I have no doubt I received these warrants from Gordon personally. He was the person I was usually in communication with. I made no inquiries about the warrants, because I had no doubt they were good. We had a number of warrants for Hagan's wharf, and discovered their fraudulency in October, 1853. I was present at the interview between Mr. Chapman, Gordon, and Cole. It is so long since that I don't recollect what occurred. There is nothing in this matter which I desire to keep back. The purport of the interview was to know why the prisoners had acted in that way by giving us so many fictitious warrants, and they were also asked what they could give to make up the deficiency. I cannot say what Gordon said to that. He represented the distillery at West Ham to be a very valuable property, and if he was allowed time he could work it all out. The real value of the distillery was then discussed, and it was arranged to be made available to Overend, Gurney, and Co., in a general way, by paying them off out of the profits. Something was said about security, but Gordon did not say that he could give anything that I am aware. Gordon then went away, and I have seen him several times since. On those occasions I have spoken to him about the matter, but I cannot recall what I said to him or he to me. I know nothing about the title deeds to the distillery. They were taken into the partners'-room. The promissory note of Cole, Brothers, had nothing to do with Gordon.

The remainder of the evidence on this occasion merely related to the Bank of England notes traced to the possession of the prisoners, which they had changed during their temporary evasion of justice abroad. On the 24th of May, when they were again brought up, the following further examination took place:—

Mr. Ballantine said a person of the name of Webb had been mentioned in this inquiry, and he should be called to show that all the dealings with the prisoners had been as artificial as regarded him, as with other persons. Among the persons defrauded was a gentleman of the name of Vaughan, of the firm of Freeman and Copper Company, and the amount of his debt was £18,000. The prisoners were unable to pay that amount, and they therefore deposited some warrants with him. They ultimately had a communication with Messrs. Overend, Gurney, and Co., after which they proposed to Vaughan to produce certain securities which Gordon represented they were entitled to, but which representation, in point of fact, was entirely false. Webb would state that Gordon told him Mr. Chapman had desired that the matter should not go forth to the world. This would be stated upon oath, but of course it alleged nothing whatever against Mr. Chapman, who certainly was not undergoing any inquiry as to his conduct, but one could not lose sight of the fact that, although Messrs. Chapman, Overend, and Gurney were in possession of fraudulent warrants, instead of prosecuting these persons, they allowed them to carry on business publicly in the city of London, and thus suffered them to commit these further frauds upon respectable gentlemen to a very large amount. Transactions of a similar nature with regard to the fraudulency of the warrants would be put in evidence, and among them one which had taken place subsequently to that in which Mr. Chapman was concerned. The learned counsel said he was very inexperienced in the commercial practices among merchants,



and he would not therefore venture an opinion on this matter, except to express his deep regret that a house of great importance had not denounced men whom they knew to be swindlers, instead of allowing them to commit further depredations.

Mr. Chapman complained of the imputations cast upon him, and wished to explain.

Mr. Ballantine objected to Mr. Chapman making any statement, unless as a witness, for which purpose he would presently call him.

Mr. Chapman said it was hardly fair to prejudice a case by such statements, before the evidence was gone into.

Mr. Ballantine said he had entered upon this case with only one object, and that was to put the facts in evidence, and let the world judge of the conduct of all parties.

Mr. Vallings, representing Messrs. Overend, Gurney, and Co., said this was an investigation as regarded Davidson and Gordon only, and as his clients were not on their trial, it was unfair to make observations affecting their character.

Mr. Chapman was then examined, and said,—I wish to correct an error in my last evidence. I am there made to say that "Gordon offered me the lease of the distillery," and that "I had no more dealings with them after the interview in October." With regard to the first, I did not say it was Gordon who offered me the lease, but it was offered. The latter was a mistake of my own. I cannot say if Davidson and Gordon have referred persons to us since then, but I know that we have given our opinion freely of them.

Mr. Philip Vaughan said,—I am a partner in the firm of Freeman and Cooper Company, of Bristol, and Cousin-lane, London. The prisoners were our agents, and, as such, they became indebted to us for rather more than £18,000. The origin of their debt was the misappropriation of our copper. About the 18th of October, 1853, I received a request in writing from the prisoners, and came up to London in consequence, and, on seeing them, they voluntarily confessed that they had taken our copper for the purpose of the distillery, instead of selling it, as they had previously represented to me they had done. They also said that the distillery was producing a very large income, and they should shortly be able to pay us our balance of £18,559. They gave me their notes of hand, and Westminster bonds for £7,500. In addition to that, they placed in our hands three promissory notes, purporting to be drawn by Webb, for £1,000, £1,255, and £1,255, and they told me that these bills were part of a compromise effected between Webb and his creditors. My impression is that they said they were making about £20,000 a year by the distillery. We had some warrants in our possession, and the prisoners left them with us. Those warrants relate to steel and tin, to the value of £17,000, but they turn out to be entirely fictitious. The prisoners deposited another warrant with us on another transaction. None of the bills I have named were properly paid. There was another transaction, on the 16th of February, 1854, which increased the debt. Upon that occasion, Gordon said Davidson was in Spain, and had bought considerable quantities of barley for the distillery, and that he had sent home the bills of lading attached to the bills of exchange, so that they could not get the barley until the bills of exchange were paid. He also said the distillery was in a most flourishing condition, and that if our house would lend him £19,000, to get possession of the barley, he would give us a spelter warrant for 100 tons of spelter, which was of greater value, and let us have the bills of lading when they came home. These are the spelter warrants which I now produce, but we never got either the spelter or the bills of lading. We never even saw the spelter. They gave us bills of exchange for part of the amount, and the balance was to go to the old debt. The first of those bills was not paid. We sent to the wharf to pay the rent, and we afterwards proceeded against Maltby, the wharfinger, for £23,000, the value of the spelter, and obtained a verdict; but he absconded, and afterwards died in Newgate. Maltby never denied the goods were at Hagan's wharf, and we therefore went against him as the wharfinger. When we were trying our action against Maltby, we found out that the other warrants which we held were also fictitious. We did not think at that time there was any collusion between the prisoners and Maltby. We did not know

of the fraudulency of the three warrants I have spoken of until after the action was tried. The £18,000 was contracted some months before October, 1853, but the last warrant that was deposited with us we received on the 16th of February, 1854.

Mr. Vallings said, from the florid statement made, the Court was led to believe that this debt of £18,000 was contracted after October, 1853—an assertion that seriously affected Messrs. Overend, Gurney, and Co., whereas it was contracted some time previously.

Mr. Ballantine said he would repeat, that the concealment of the fraudulent character of these warrants allowed the prisoners to defraud their creditors to a very large amount.

Witness—The debt accrued before October, 1853, and the warrant for the spelter was given to us in the middle of February, 1854, for a further advance; and, unless I had thought the warrant was genuine, I should not have made the advance.

Mr. William Nicholson, jun., said—I am a member of the firm of Nicholson and Co., rectifiers, of St. John-street, Clerkenwell. We held two mortgages on the West Ham Distillery. We also held the lease; and it was afterwards delivered up to a clerk in the employ of Messrs. Kersey and Masterman, solicitors. Our balance against the prisoners is £19,174, and these deeds were part of the security we held. We have never had the lease since. We also held some warrants as collateral security, which have since turned out to be forgeries.

Mr. Kersey said—I am a solicitor, of Bucklersbury. The prisoners were our clients. We were instructed to obtain possession of the distillery on behalf of Davidson and Gordon, and an order was left on my desk to obtain the lease, which our clerk did, of Messrs. Nicholson. In the beginning of August, I was requested by Gordon to take all the deeds back to Messrs. Nicholson the next morning, but he required two mortgage deeds to show to Messrs. Nicholson's solicitors, to know if they would advance them £20,000 for the purpose of carrying on the distillery. I prepared the mortgage deeds, and left them with Gordon, in Mincing-lane, on the same day, and on the following morning I attended at Messrs. Nicholson's, when I saw those gentlemen, with their solicitor, Gordon, and Webb. I left the solicitor reading the mortgage deed, having previously laid on the table the leases and securities contained in the mortgage deed. This was on the 30th of July, 1853. They declined to make the advance, and therefore handed me back the whole of the deeds. Davidson and Gordon instructed me to take possession of the distillery, in order to show Gordon's title to it, so that it might not be swept away by Webb's bankruptcy. Between the 1st and the 17th of August, Davidson obtained from me the mortgage deeds, leaving with me the leases, which I subsequently sent to Cole, Brothers, who were represented to me as the purchasers of the distillery. That was on the 20th of September, 1853.

Mr. Vallings here explained that the title deeds referred to by the last witness were sent to Messrs. Overend, Gurney, and Co., by Cole, Brothers, who held them under an assignment from Davidson and Gordon; and on Cole, Brothers, becoming bankrupts, they were forwarded to Messrs. Overend, Gurney, and Co., who, by Mr. Vallings' advice, sent them back to the prisoners, as proper security was not to be obtained upon them.

Mr. Chapman said, when he found the leases belonged to the distillery, he refused to accept them, because he would have nothing to do with the making of spirits.

Mr. Ballantine wished to know if Mr. Chapman meant to say that he refused the leases as security solely because he would not encourage drunkenness.

Mr. Chapman said that was his reason for refusing them. (Laughter.) He would swear positively to that.

Witness said the security would have been of no use to Messrs. Overend, Gurney, and Co., unless they had taken possession of the distillery in their own name, and they therefore objected on the ground stated by Mr. Chapman.

Mr. Joseph Hoare said—I am a partner in the firm of Barnett, Hoare, and Co., bankers. We had some transactions with the prisoners, and they owe us between £2,000 and £3,000. We held five warrants, which Gordon deposited

with us. We put them into the hands of Cotton and Trueman, to inquire about the cargoes, and the results showed that the warrants were all fictitious. We also sent a clerk to Hagan's wharf, but Maltby perfectly satisfied him. We had been having transactions with Gordon, and we made advances, which were renewed from time to time, and these warrants were deposited with us previously, and re-deposited after October, 1853. I have their letter, dated March, 1854, in which they inclosed to us warrants for £3,000. Two other warrants were given to us in April, 1854, for 1,000. I have another letter dated the 3rd of April, 1854, asking for a further advance of £2,000, and offering us, as collateral security, warrants for 100 tons of spelter. The spelter warrants were deposited with us on the 14th of June, 1854, in consideration of our discounting Cole, Brothers', acceptance for £2,000, £1,500 of which was paid.

Mr. Thomas Webb said,—I was the proprietor of the distillery at West Ham before I became acquainted with the prisoners. It was arranged that they should make advances to carry it on, and receive and pay everything. I executed two mortgage deeds to Davidson and Gordon in July, 1851, on the distillery, and in July, 1853, I received notice from Kersey and Masterman to pay to Davidson and Gordon £184,000. I did owe them a very large sum, but nothing like that amount. They kept the books and took possession. I did not transfer my entire interest to Davidson and Gordon. In October, 1853, Davidson told me they were largely indebted to Freeman and Copper Company, who were not aware of it. Davidson explained that they had used some of Freeman and Copper Company's money, and said he wanted me to break it to Mr. Vaughan, but that gentleman happening to come into the room at the time, the subject dropped. I received this release for £184,793 12s. 8d. on the 12th of October, 1853, and the consideration I gave the prisoners for that release consisted of the three bills of exchange which Mr. Vaughan has produced. When they got these acceptances from me, they said they wanted them to meet some payment they had to make. About the 23rd of October, 1853, Davidson told me that Gurneys were selling him up. I asked him the meaning of what he had said, and he showed me a letter, in which Messrs. Overend, Gurney, and Co., informed the prisoners that they had sold the £30,000 of spelter. When Gordon saw that letter, he left the office, apparently very much alarmed. When I saw Gordon again he appeared very low-spirited, and said, "Well, I have told Overend, Gurney, and Co. everything." I asked him what he meant, and he said, "The warrants which we have deposited with them; we cannot deliver the spelter, because the party from whom we bought it was not paid, and he has stopped the delivery." He also said he had been with Mr. Chapman and Cole until about 12 o'clock the night before, and that he had been obliged to acknowledge that he owed Cole £120,000. I asked him if he did owe Cole that amount, and he said he did not. I asked what Mr. Chapman had said, and he said that after it was all over, Mr. Chapman turned round to him and said, he had always held him (Gordon) up as a pattern man of business, but he was sorry to find he was a thief. He also told him that Mr. Chapman said, "Now, understand that what has taken place here to night must not go beyond these walls." Gordon was very much cut up about it, and put on his hat and walked away.

Mr. Chapman wished to explain this apparent mystery; but, on being called to order, he contented himself with correcting the date of the above conversation, which he alleged took place the 10th, and not on the 23rd of October, 1853, up to which time (the 10th), he believed Gordon to be a perfectly upright man in every respect.

Mr. Edward Penny was then called to prove that he went to Hagan's-wharf to inspect the goods mentioned in the warrants, on which occasion Maltby showed him everything apparently in the most satisfactory manner. A further remand was ordered.

## THE BANK OF ENGLAND AND THE RATE OF DISCOUNT.

ALTHOUGH the directors of the Bank have made another reduction in their terms of discount, they find great difficulty in employing their resources. Such is the progressive influx of specie, and so limited has become the circle of business, that accommodation can be freely obtained on terms from one quarter to a half per cent. below their existing rate of 4 per cent. The increasing abundance of money is a feature at the present moment which attracts general attention. Notwithstanding the periodical payments on the loan of £16,000,000, and the universal disposition to regard with apprehension the consequences of the war, there is a growing impression that we shall shortly have an over-flooded money market, and little opportunity of making it available, either for the legitimate purposes of commerce, or the promotion of industrial enterprise.

At this juncture, a new field of observation is opened, in connection with the probable effects of the Australian and Californian gold discoveries, the supplies from both those localities proceeding uninterruptedly to augment the late steady accumulation of bullion. It will be remembered that, through the excess of speculative adventure in Sydney, Melbourne, New York, and San Francisco, and the consequent revulsion, the general course of mercantile operations, has received an important check, and hence the ordinary demand for banking and mercantile accommodation has greatly diminished. A prolongation of hostilities with Russia, while it will no doubt prove very expensive, may yet be attended with further disastrous results, but at present the strength and wealth of our country appear to be almost impregnable, and it is to be hoped may remain so.

It is natural to anticipate that, with continuous imports of specie on the scale we have latterly experienced, the plethora of capital must increase, and that the terms for accommodation out of doors will probably, for a time, settle at about 3 per cent. The Bank directors may reduce another half per cent., but we should think they will not go lower; the result, therefore, will be awaited with anxiety. The intervention of peace, should it opportunely occur, would soon create a revival in business, which could not fail to bring money into use on profitable terms, and this change would repress any tendency that might be manifested in other channels, to foster and encourage prejudicial speculation.

The latest advices from Australia and America represent financial and commercial affairs to be generally improving, and

it evidently would not require much stimulation to provoke immediate activity; but this is not desirable under existing circumstances, the lapse of a few months being necessary to clear away the unpleasant reminiscences of previous misfortunes. Whatever may be the issue of political agitation through "administrative reform," or other movement, there is abundant reason to believe that the trade of the country, although occasionally suffering from ill-directed operations, must eventually become more prosperous and expanded.

The alteration in the Bank's rate of discount took place on the 3rd of May, and in relation thereto the *Times* remarks as follows:—

The Bank of England to-day have reduced their rate of discount from  $4\frac{1}{2}$  per cent., at which it had stood since the 5th of last month, to 4 per cent. An advance in the Funds having been caused yesterday by the anticipation of the measure, no further alteration has resulted. It is regarded with general satisfaction, since it will impart confidence, which is greatly needed; while its influence on the actual value of money, which was already below the rate now adopted, will be too slight to have, in any important degree, an unfavourable action on the foreign exchanges. The contingencies of an extended war, and of the next harvest, are those which might operate in an adverse direction; and, on the other hand, there is the certainty, that the steady influx of specie must soon be increased by arrivals from Australia, which have been delayed for weeks by easterly winds. Even the contingencies of the war are not all of a character to lessen the possibilities of an easy money market, since, with each day of their continuance, a further contraction of business is observable, while by far the largest proportion of direct expenditure incurred is for home materials and labour. Russia, meanwhile, is obliged to import immense supplies, and to submit, in consequence, to a drain of gold, which has for many months assisted in producing that favourable state of our money relations with the continent, which is still maintained and is likely to continue. Under these circumstances, the harvest is the most important subject of consideration, and, although no opinion can yet be formed on its prospects, the fact is obvious, that the lowering of the rate of interest can have no bearing on it, except such as prudence would dictate, since, as far as it has any effect, it can only increase the facilities for importations of grain at the present moment, and to that extent lessen the possible evils of a failure.

The writer in the *Morning Chronicle* observes:—

As money has been accumulating of late very fast in this country, and the rates steadily becoming cheaper, it had been anticipated that the reduction would be made, more particularly as the value of money out of doors has been much cheaper than the Bank rate. The expediency of this measure has, on this occasion, been somewhat called in question by monetary and mercantile interests. The grounds of

objection are, first, that we have arrived at a period of the Eastern question which inextricably involves the country in a prolonged and expensive war; secondly, that the reduction will be apt to create undue and unsafe speculation, that it is therefore a measure fraught with some danger; and thirdly, that the decrease in the bills discounted by the Bank has not been anything like the amount of assistance it has rendered to the Government. In reply to those objections, it must be remembered that, on the principle recently laid down by the directors, of the Bank being an institution entirely independent of the Government, it has a perfect right to do as it pleases in reference to the interests of its proprietary; that the late minimum rate was much above the lowest rate out of doors, and that the trade of the country must be considered, not only to have seen its worse phase, but is now just on the turn towards a great but steady improvement; that, with regard to our operations with other countries, we have but to leave out the name of Russia; that our foreign commerce will not be subjected to the danger of interference on the part of Russian cruizers; and that we possess, within the scope of our immediate resources, elements of returning activity and prosperity which defy the influence of Russian aggression. We possess both capital and credit to trade with every other part of the world, and the increasing requirements of the Australian colonies and California, now the greatest marts of the world, will afford a wider field for the sale of British manufactured goods and produce than ever Russia would or could hope to become. If the war is for the future carried on with the energy it can no longer be denied is imperatively necessary, and the Government does not unnecessarily interfere with traders, there can be little doubt of the general trade of the country recovering somewhat from its inactivity. A prudent love of caution on the part of the mercantile community. At the same time, will check any tendency some few speculators may be tempted to indulge, to overstep the broad and plain boundary of safe, legitimate, and profitable commercial action. At a minimum rate of 4 per cent. by the Bank of England, for the discount of approved bills, there is no fear of danger, any reduction beyond that rate must be left for future consideration; but it may be remarked, that the best wishers of the institution would regret to hear of any further drop for the present.

The correspondent of the *Daily News* remarks:—

“The Bank of England directors, at their weekly board meeting to-day, reduced their *minimum* rate of discount from  $4\frac{1}{2}$  per cent., at which it has stood since the 5th April, to 4 per cent. This step had already been anticipated by the general course of the money market, and thus the effect of the announcement was not great. The English funds attained a further rise of about  $\frac{1}{2}$  per cent., and, generally, a firmer feeling may be said to have prevailed throughout the Stock Exchange. Of the various descriptions of securities, guaranteed and preference railway stocks and debentures will probably experience chief benefit from the declining value of money. The Lombard-street money dealers have this afternoon reduced the rate allowed for money “on call” to 3 per cent., and good bills are readily discounted at  $3\frac{1}{2}$

per cent., or  $\frac{1}{2}$  per cent. below the reduced charge of the Bank of England, which is thus still underbid in the open market."

The *Morning Chronicle*, enlarging further on this topic, observes :—

The state of the monetary and political affairs of England in the month of May, 1854, and the same period of 1855, presents some remarkable features of great interest and special importance, to which the attention of the monetary and commercial interests of the country cannot be too prominently directed. It will be remembered that, from the commencement of 1854 up to the first half of the year, public attention was distracted by the fear of war and the hope of a peaceful solution of the Eastern question. During the second half of the year, there was the excitement of the preparations for, and the commencement of, the present war ; whilst, during the entire twelve months of the year, a feeling of uneasiness generally prevailed, which, at times, threatened to cause a monetary and commercial panic. Money was in very active demand, at high rates of interest, to meet unusually heavy payments falling due, month by month, in liquidation of an extraordinary expansion of trade. Fortunately for mercantile credit, both here and abroad, the supply of capital was most abundant, and one important element of confidence and prosperity remained intact, or the consequences might have been seriously disastrous. The banking interest, at the same time, stood firmly forward in supporting private credit, and thus checked the discord which appeared to threaten the stability of the commercial interest. The state of the Bank of England during the first half of the year was such as to give occasion for uneasiness. There was a heavy drain upon it for the precious metals for shipment abroad, and an equally heavy pressure upon it for loans, advances, and discounts, which caused the stock of bullion to descend to £12,608,000 on the 6th of May, and the reserve of notes to fall to as low as £3,900,000. To check this drain upon its resources, it had to raise the minimum rate of discount to  $5\frac{1}{2}$  per cent. The crisis which thus threatened the country was happily surmounted, and, from that period until the close of the year, a gradual improvement took place. The outbreak of the Eastern war caused only a temporary check. It is a fact of considerable importance, that the wider the prospect of peace has faded from our view, and the deeper we have become involved in war, the greater has been our monetary prosperity, and necessarily firmer the state of our commercial credit. In this fact is to be seen a departure from the ordinary effects of a state of war. How far this will extend, or how long it will continue, should all negotiations for peace be finally and definitively broken off, it is impossible to speculate upon. It is sufficient for present purposes to know that our position has singularly improved ever since the war commenced. The state of the Bank of England has undergone a great change, and it has not yet seen its culminating point. The stock of bullion, on the 12th inst., was £16,045,000, or £3,883,000 more than on the 20th January last, and the reserve of notes was £9,417,000, or £5,517,000 more than on the 6th March, 1854. There is every prospect that this improvement in the Bank's position will continue for some time longer. The demand for gold, for shipment to the continent, is very moderate ; and, as money is also extremely abundant in France, there is no immediate prospect of an early export to that country. The arrivals of gold have, for some time past, been considerable, and a change in the wind will bring in many ships from the Australian Colonies, having, more or less, large remittances. In a few words, with an increasing supply, the demand for money now diminishes ; whilst, on the contrary, during the greater portion of last year, with a decreasing supply, the demand augmented. Here is another great contrast in

the phases of the monetary position of the country in 1854 and 1855. The more the aspect of affairs is inquired into, the greater becomes the contrast. Money is now exceedingly abundant. The Bank of England, in the space of one month, has found it necessary to lower the rate of interest 1 per cent., and its minimum is much above the current rate out of doors. Increased taxation, and a loan for £16,000,000, have added to the public treasury an amount for the current year of, say £26,000,000 sterling, without having had the slightest effect on the money market. The general prosperity and abundance of our metallic resources evince the extraordinary ability of the nation to supply the national demand. Such is a brief comparison of the monetary phases of 1854 and 1855. With regard to the future, our prospects are sufficiently satisfactory and favourable. They are not, however, devoid of cause for uneasiness. Without entering minutely into the subject, it may be useful to notice one or two matters which will assist us in drawing some inference as to the probabilities presented in the remainder of the year before us. For general trading purposes, the demand for money is not likely to be so active as it was during the past year. Business has, for some months past, been conducted on a quiet and circumscribed scale, and, although some greater activity than now prevails may take place, speculation has received too powerful a check to be readily or quickly renewed. We may therefore anticipate a steady course of legitimate trade, notwithstanding the facilities which an abundance of money and easier rates have a direct tendency to encourage and sustain. To Australia and America, our trading operations promise to become enlarged, and, with it, there will necessarily be an increased inquiry and employment for money, but not to an extent likely to create uneasiness.

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#### DISSOLUTION OF THE SOUTH SEA COMPANY.

THE proprietors of the South Sea Company have been gratified by the announcement that their assets have been nearly realised, and that they show £119 18s. for every £100 stock. This is irrespective of the dividend, which will be payable in July next, and the directors propose to make an early distribution at the rate of £115 per cent. The Court have, on former occasions, incurred censure for the desire they manifested to procrastinate a final liquidation of affairs, but they now deserve commendation for the ability displayed in profitably converting their property. Ever since the defeat of the Trust Bill, which was a great bone of contention between the proprietors and a majority of the Court, settled as it effectively was by Lord St. Leonards and other opponents, the directors have proceeded with all dispatch in preparing the essential preliminaries for winding-up.

The statement by the Sub-Governor (Mr. C. Franks), at the special meeting on the 24th May, presented the following facts:—The principal securities in January last were—£100,000 East India bonds, £500,000 Exchequer bonds, and £1,675,600 Exchequer bills. Of the whole of these only £27,800 Exchequer bonds and £440,900 Exchequer bills remain undisposed of, each description in the aggregate having produced a higher price than was originally paid by the company. The house and premises have been sold for £56,750, an increase on a careful valuation of upwards of £6,000. The sale has not yet



been fully completed, but the title has been accepted, and the conveyances are in course of preparation. Under the arrangements, the purchasers have to pay 5 per cent. interest from the 1st instant, until the contract is finally settled. In order to provide for the payment of the debts and obligations of the company, a trust has been created, and trustees have been appointed, whose functions will last for a period of six years after its dissolution. The sum appropriated for this purpose, about £30,000 (of which £21,981 is represented by unclaimed dividends), will be invested, and ultimately divided, if no claims shall be preferred. Compensation has been awarded to the officers, clerks, &c., and the total, including annuities, is £24,759. The accounts, as prepared on the 23rd inst., show the entire liabilities to be £70,339, and the assets (including a cash balance of £622,800, and money advanced on loan, £1,149,597) £2,306,727; leaving an available balance of £2,236,388. The original capital of South Sea Stock was £3,662,784, of which £1,798,048 has been purchased by the company, showing an amount of £1,864,736 to be entitled to participation in the divisible assets, which will yield £119 18s. for each £100 stock. This estimate is exclusive of the dividend accruing in July, which will be declared in ordinary form, although its probable amount cannot yet be stated. It is proposed, therefore, on the 5th of July next, to pay to the proprietors a sum equal to the rate of 115 on the amount of their stock; and the directors are also prepared, on and after the 30th instant, with three days' notice, to anticipate this distribution, on an allowance of a discount at the rate of 3 per cent. for the intervening period. This announcement was received as satisfactory, and the discussion subsequently was principally connected with the details of winding-up. In answer to questions, it was mentioned that the cash balance is deposited in the Bank of England, and cannot be for the moment profitably employed, and that there is the prospect of the sale of the property being speedily perfected. With regard to the proposed alteration in the proportional distribution, it was stated that the increased sales of securities have enabled the directors to augment it from 100, the amount at first stipulated, to 115. After the 5th of July, the expenses of management will be largely reduced, and the court intend to take immediate steps for a final liquidation, which, it is expected, may be effected in about six months. The allowance to the directors, by the charter, is £3,600, but only £1,500 has been accepted by them for a long time past, and it is presumed that their services for the whole of the current year will be recognised. The legal dissolution of the company will take place on the 1st of July, 1857, and the trustees appointed to act in the settlement of outstanding debts and obligations have been empowered under sound legal authority. The scale of compensation to officers, clerks, &c., ranges from £350 to £50 per annum, small gratuities being presented to those who have lately entered the service. At the close of the proceedings, a formal resolution was agreed to, adopting the report, and authorising the directors to make the distribution in the manner suggested.

The list of the principal annuities read was as follows, and the pro-

priators expressed themselves pleased with the liberal manner in which the Court had treated their old *employés*. The Sub-Governor, in introducing the list, stated, that two or three of the senior officers had been in the service of the South Sea Company from 40 to 46 years. Mr. C. F. Gibson, £350 per annum, full allowance for lengthened office; Mr. Arnold, £330, full allowance for similar service; Mr. John Jesse, £300, lengthened service; Mr. F. Jesse, £150; Mr. Scallan, £100; Mr. Dean, £50; Mr. White, £50; Mr. Nash, £120; Mr. Jackson, £120, with a present of £300 for special services, and gratuities, ranging from £50 to £25, to porters, messengers, &c., and those who have very recently been engaged. The family of the late Mr. Viner, the cashier, have been allowed an annuity of £300—half for the daughter, and half for the son—the Court considering it right that they should enjoy the reward to which their father would have been entitled had he lived.

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#### REDUCTION OF INTEREST UPON EXCHEQUER BILLS.

It has been intimated by the Chancellor of the Exchequer that the interest on Exchequer bills, falling due in June, will be reduced from  $2\frac{1}{4}d.$  to  $2d.$  per diem. This movement was to have been anticipated, from the improved position of the money market, and the increased abundance of capital, which is now being greatly promoted by the arrivals of specie from Australia, America, and the West Indies. The writer in the *Times*, alluding to the alteration, remarks:—

Notice has been issued that the interest upon the Exchequer bills to be renewed on the 11th of June will be lowered from its present rate of  $2\frac{1}{4}d.$  per day to  $2d.$  per day, at which it has stood since the 25th of May, 1854. This is equivalent to a reduction of  $7s. 7d.$  per annum, and the yearly rate for the future will consequently be £3 0s. 10d. This alteration effects a saving of about £30,000 a-year in the public expenditure, and as it furnishes, at a remarkable moment, another demonstration of the credit of the country, it will increase the confidence already warranted by the abundance of money, and the certainty that Russia is powerless to affect our trade. The wisdom of this determination was fully demonstrated by the course of prices, since the only alteration in value consisted in an improvement in the March descriptions. These, which were quoted last evening 9s. to 12s. premium, were finally quoted to-day at 10s. to 15s. The June bills, which are advertised for reduction, remained at 4s. to 7s. premium. There are few at present on the market, and any increase of the demand would be immediately followed by great firmness.

The *Morning Chronicle*, on the same topic, observes:—

This announcement reduces the interest on that portion of the unfunded or floating debt, represented by Exchequer bills, from £3 8s. 5d. to £3 0s. 10d. per cent. per annum. This reduction is therefore equal to  $7s. 7d.$  per cent., and effects a saving to the country of about £30,000 per annum. The change here noticed in the annual interest on Exchequer bills has been fully expected. The recent reduction of 1 per cent. on the minimum rate of discount charged by the Bank of England, and the generally easy state of money, sufficiently indicated the course which Sir

George Cornwall Lewis would deem it his duty to adopt, and there is nothing to say against the measure. Its propriety is established by the state of the money market.

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#### THE INFLUENCE OF THE WAR ON THE MONEY MARKET.\*

A DULLNESS begins to spread through many trades, and, at one and the same time, national anxiety and individual privation may press on the energies of the commonwealth. There is an uneasiness abroad, which is affecting most classes more or less; and, yet when the grounds of it come to be looked at, it is scarcely possible to take a gloomy view of the future. We are, it is true, engaged in a great war, the beginning of a long struggle, in which the individual supremacy of our branch of the English race, and the maintenance of our sway in these islands are concerned; but, were even these shaken, our existence, as a nation, is safe, for we have still the new worlds of Australia and America to fall back upon, and we should return to the struggle with new energies, new resources, and a firmer determination to secure to our race the empire of the world. In the beginning of this war—as in the beginning of those wars in which Cromwell, Malborough, Pitt, Clive, Nelson, and Wellington came to the rescue—we have been subjected to disaster and disgrace. Among all free nations, political faction will sway more continuously than national patriotism, and war has to be begun in co-operation with the minions and nominees of political factions, rewarded with public offices for election services; and it is not till the evil is pinchingly felt, that the national energies are brought forth, merit employed and rewarded, and true patriotism displayed. However contemptible, in the eyes of tyrants wielding absolute power, the weak, vacillating, and disordered efforts of the beginning, it is when the crisis comes that the independent spirit of freemen enables exertions to be made, beyond the measure of imperial power and the mightiness of a tyrant's creative will. Disasters and disgrace we may still have to encounter, but glory must be ours, and success, however long and arduous may be the contest.

The drain of such a war must be great, and must be measured by an economical standard, far different from that hitherto assumed. We have been so accustomed to hear the theory about the yearly accumulation of the national wealth in the funds and in nominal securities—about the construction of railways from the savings of the national income—and the vision of the balance of trade—that we are ill prepared to make a true estimate of the cost that has really to be met. In the economical constitution of this country, as distinguished from others, it is to be remarked, that each member of the community must be provided for, whether he labour or not. Formerly this law was more obscure, because Scotland and Ireland were not under the same conditions; but now that they are equally provided with a poor-law administration—as England has long been—the same considerations apply to the whole

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\* This paper has been contributed by Mr. Hyde Clarke, a writer well known for his experience in financial and mercantile movements. It must, however, be understood, that he only expresses his own individual opinion.

country ; and that is to the whole part of the empire engaged, because, through the obstinate folly of our legislators, the brunt of the war will be borne by these islands alone, and not by other parts of the empire. Before the declaration of independence, the provinces in America bore their share in a war in one shape or another ; in the last war, our colonies were too weak and too thinly peopled to be of any more aid than Jersey, or Guernsey, or Man ; but now India, Canada, the West Indies, Australia, and Africa remain idle, while the heart of the empire is engaged in a vital struggle. A representation of every part of the empire, as advocated before we lost America, and as enjoyed in the United States, would enable us to combine all our resources.

The whole population being provided with food, and a portion alone being employed in agriculture and the customary pursuits of trade, there remains at most times a surplus of labour available, which, under a proper system of organisation, would be constantly employed in increasing the permanent resources of the nation ; but which, under the system of obstruction, or want of system, is only applied in periods of speculation or excitement. A railway, or harbour, or embankment, whether productive or not, is chiefly the result of rude labour ; and, instead of being dependent on accumulated resources or money, is chiefly carried on with supplies of bread and meat, in which the temporary medium of exchange plays really only a small part. If, therefore, the whole country had been covered with railways leading to every village, and all the brooks had been spanned with bridges, the national capital would not have been exhausted, nor the national resources have felt the exertion, although they gave no pecuniary return correspondent to the assumed capital expended, or any pecuniary return at all.

The conditions of war are, however, far different. Therein many things are required—and, first of all, flesh and blood ; and, to supply this, the surplus of unemployed population is first drawn upon, and a competition created in the market for rude and unemployed labour, though these need not be altogether relied upon, as, under a proper political organisation, large supplies of men may be obtained from what may be termed the non-working classes. The staple, however, of our soldiers and sailors is from that great class of the casually employed unskilled labourers. When this class is drawn down, the agriculturist begins to feel the competition, and has to content himself with a larger proportion of old men and lads, and of female labour, while the deformed and crippled go to the supply of the trading classes. In this provision of men for the purposes of war we have to contend, at present, with the colonies and the United States, who are bidding for labour ; but, under judicious arrangements, the national lands, instead of being alienated from the empire, and placed at the disposal of the parish vestries, or legislatures of Canada, Australia, South Africa, and New Zealand, would become, as under the Romans and in the United States, the fitting reward of warlike services. Many of the settlers in Canada West are descended from those officers and soldiers who, at the close of the last war, received lands in reward of their exertions.

After the supply of men comes next the supply of food. This can

no longer be conveniently supplied from the home stores, though it may be taken from a portion of those supplies usually obtained from abroad. It is, however, more wasteful than the provision for a like number of men at home, for large numbers of men and cattle, and their attendants and camp followers, have to be provided for under circumstances in which excessive loss takes place. To a great extent, therefore, the supply of food becomes a dead weight. There is further, the supply of material, partly from home resources—from our woods, flocks, and mines—and partly from the exchange of produce with other countries. To a great degree, therefore, the expenses of the war will have to be met by the remittance of produce abroad, without any permanent or material result to show for it. This will be the real drain on the country, though it may be partly met by the disposal of capital lent or placed abroad to foreign governments and individuals, on which we are now receiving income, or by borrowing from abroad. In this way we may sustain a greater evil than has yet been contemplated. Before the last war, Holland held largely in the stocks and funds of England and other countries. Such of these investments as were not destroyed by revolutions, were withdrawn, the capital was dissipated in the wars of the empire, and further liabilities incurred towards foreigners. This is one phase of the ruin and decline of Holland from its ancient importance. In our last war, we had, in addition to our other burthens, to provide for the withdrawal of capital from Consols, Exchequer bills, Bank and India stock, of Hollanders, and other holders. In the present war, this will not occur, as we have very few foreign holders now; but we may be exposed to a great destruction of our resources in the sale, at lower prices, of American and other stocks, and the possible confiscation of Russian, French, Dutch, Belgian, Danish, Italian, and other stocks and railway shares.

Unless we are altogether stripped, the current expenses of war may not however be so distressing to us; for we yearly waste in our ill-advised mercantile speculations as much as would carry on a war. Without adverting to others, it is sufficient to say that the losses on consignments to California and Australia alone are quite enough to carry on a good war. The greater part of the late consignments to Australia might just as well have been sent to Lord Raglan and the commissary-general in the Crimea, and wasted in the Black Sea, or on the strand of Balaklava: and in these operations is a parallel, showing that the vices of the Crimean campaign are national, and will take some time to cure. In either case of the disposal of so many millions' worth of goods, the nation would have nothing to show for them. So many, indeed, of our usual operations are profitless, that we ought not to feel the pinch of a war. There have been estimates of these losses, since the peace, in consignments abroad and South American loans, but it is difficult to arrive at the truth, though three hundred millions is a possible figure. During the peace, we have been engaged in a war with folly, and during the new war we can hardly be worse off.

Careless thinkers put English railway and mining manias on the same footing as so-called investments in Columbian stock and Peruvian

gold mines, but the cases are far different. Some of the maniacal speculators in the former may have a smaller or greater share in the national wealth, but, after all the gambling, the stakes are in the family; whereas, of what went to Columbia, scarcely a fraction remains, and of what went to Peru, nothing. Such episodes as periodical American repudiations, Californian speculations, and Australian ventures, form appreciable items in the schedule of national losses, and show the national capacity for loss.

The financial struggle may be aggravated in its severity, by difficulties or impossibility in providing the supplies by disposing of manufactured goods. Such was felt, to some extent, by the closing of the continental ports, but was compensated by the virtual monopoly of the trade in colonial productions. In the present contest, however, if we had to contend with the whole of Europe, our commercial resources would be crippled, while the folly of our Government, the idiotical persistence of the oligarchical classes in antiquated and absurd forms and prejudices, and the corrupt dealings of American factions, may embroil us with our brethren of the United States. In such catastrophe, however, we should have no question of providing for aggressive warfare, for the battle-field would be at home. At the present moment, however, there is a sufficiency of absolute resources for the conduct of the war, and it will fortunately take some years for the folly of our rulers or the efforts of our enemies to draw down our resources. Where, nevertheless, there is a great difficulty, is in the provision of bullion for the war. Some are inclined to think the large supplies of gold from Australia and California sufficient, but my own practical experience induces me to attach more importance to other influences. The supplies from the gold countries are indeed large, and, in a period of peace, their effect would be great, and their accumulation considerable; but the returns of the banks in England, France, and the United States, given from time to time in the *Bankers' Magazine*, do not show an increase correspondent to the surplus supplies which should have accumulated in the last three years. So far from this, they are already at a low point.

If, then, the supplies from Australia and California have hitherto only been sufficient to meet the current demand, there is no ground for believing that they will do more in a continuous period of war. So far from it, these supplies will be insufficient, during continued war, to meet the demand. I base this opinion on what occurs in most European countries, and, indeed, in most parts of the world, during a war. The conditions of currency, then, are very different from what they are during a time of peace. In a time of peace, the supplies of bullion, although a portion may be hoarded, come to the chief extent into circulation; but, from adequate moral causes, in time of war, nearly all the supplies are hoarded. Hence arises a regular bullion trade for the supply of armies, and which becomes an important business of the Jewish houses. Gold is generally preferred by armies for military considerations, and is likewise preferred by the population of the scene of war. Gold does not require so many waggons and animals for its conveyance in the train as silver, and therefore can be more safely car-

ried; and, indeed, in extreme necessity—as in a retreat—may be divided up among the men as pay, and this ultimate resort cannot be applied easily to a large silver chest. The people like coin that can be hidden readily in a chink or nook, or otherwise; for silver, they prefer the current coin of the country for current purposes. The result, however, is, that the money is hoarded, even far in the rear of the base of military operations. On the subject of these financial proceedings, some very interesting information will be found in the evidence of the late N. M. Rothschild, before the committee on the Bank charter, and which, in conformity with his character, is of a thoroughly practical nature.

Now, it is the same course of events which is in progress at this moment; and, with the enormous area of the theatre at war, not only will the supplies from Australia and California prove insufficient, but the stocks of bullion in the banks will be drawn down—by the Governments primarily, and by the individuals secondarily—thereby aggravating and perpetuating the evil. As soon as this point is reached, there will be a renewal of the difficulties which occurred in the beginning of the last war, unless the Government should do what an English Government is very unlikely to do—meet the crisis in the beginning. So far from that, they, in all likelihood, will allow the gold in the Bank of England to be drawn down, and only when a fearful panic has taken place, and many great commercial houses have been destroyed, will they step in, at the last moment, with a Bank Restriction Act, and an enforced paper currency. Many will say, this is a glowing picture, and incapable of realisation in this age of enlightenment; but, inasmuch as the course of political action will follow its own laws, and we have too recent evidence that the character of the English Government is not altered for the better, it is safer not to depend too implicitly on future security.

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#### CUSTOMS DUTIES ACT, 1855.

THE alterations proposed in the Customs duties on tea, coffee, sugar, molasses, spirits, &c., having been sanctioned, it is now necessary to place the details on record, and the following abstract of the bill which has passed Parliament, presents them in a clear and intelligible form. It will be understood, that throughout the whole of the debates the principle has been recognised of these being only war duties, and consequently the public will demand, as a right, when peace shall have been secured, an immediate remission of such supplemental charges. The enhanced rates have been in force since 21st of April, the day after the introduction of the Budget.

1. That on and after the twenty-first day of April, One thousand eight hundred and fifty-five, there shall be raised, levied, collected, and paid unto Her Majesty, her heirs and successors, in lieu and instead of the duties now payable by law upon the importation of the articles next hereinafter men-

tioned into the United Kingdom, the several duties of Customs following; that is to say, on—

	£	s.	d.
Tea, until the Fifth day of April inclusive, which shall first happen after the end of twelve months from the date of a definitive treaty of peace with Russia ... per lb.	0	1	9
From which last-mentioned day the duty shall be regulated in accordance with the provisions of the act, Chapter Nine, of the present session of Parliament			
Coffee ... .. per lb.	0	0	4
„ Kiln-dried, roasted or ground ... .. per lb.	0	0	5
Chicory, or any other vegetable matter applicable to the use of chicory or coffee, roasted or ground ... per lb.	0	0	5
Sugar, candy, brown or white refined sugar, or sugar rendered by any process equal in quality thereto ... per cwt.	1	0	0
„ White clayed sugar, or sugar rendered by any process equal in quality to white clayed, not being refined, or equal in quality to refined ... per cwt.	0	17	6
„ Yellow Muscovado and brown clayed sugar, or sugar rendered by any process equal in quality to yellow Muscovado or brown clayed, and not equal to white clayed ... per cwt.	0	15	0
„ Brown Muscovado, or any other sugar not being equal in quality to yellow Muscovado or brown clayed sugar ... per cwt.	0	13	9
Molasses ... .. per cwt.	0	5	4
Confectionery, comfits, cherries dried, marmalade, plums preserved in sugar, succades, including all fruits and vegetables preserved in sugar, not otherwise enumerated ... per lb.	0	0	2½

II. That in lieu of the duties of Customs now payable on the articles under mentioned, imported into Scotland or Ireland, there shall be raised, levied, collected, and paid unto Her Majesty, her heirs and successors, on and after the Twentieth day of April, One thousand eight hundred and fifty-five, the following duties; that is to say, on—

Spirits, viz.—Not being sweetened or mixed with any article so that the degree of strength thereof cannot be ascertained by Sykes' hydrometer, for every gallon of the strength of proof by such hydrometer, and so in proportion for every greater or less strength than the strength of proof, and for any greater or less quantity than a gallon:			
„ Of and from a British possession in America or the Island of Mauritius, and rum of and from any British possession within the limits of the East India Company's Charter, in regard to which the conditions of the act, Fourth Victoria, Chapter Eight, have or shall have been fulfilled:—	£	s.	d.
If imported into Scotland... .. per gallon	0	8	2
If imported into Ireland „ „ „ „ „	0	6	4
„ Rum shrub, cordial, and liqueurs of and from a British possession in America, or the Island of Mauritius, or a British possession within the limits of the East India Company's Charter, qualified as aforesaid:—			
If imported into Scotland ... .. per gallon	0	8	2
If imported into Ireland ... .. „	0	6	4

III. That, in lieu of the bounties and drawbacks, now payable on the exportation of refined sugar, the following drawbacks shall be allowed on



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and after the Nineteenth day of May, One thousand eight hundred and fifty-five, on the exportation, or on the removal to the Isle of Man for consumption there, of the several descriptions of refined sugar hereinafter mentioned, that is to say :—

Upon refined sugar in loaf, complete or whole, or lumps duly refined, having been perfectly clarified and thoroughly dried in the stove, and being of an uniform whiteness throughout, or sugar candy ... ..	per cwt.	£	s.	d.
Upon such refined sugar already described, if pounded, crushed, or broken in a warehouse approved of by the Commissioners of Customs, such sugar having been there first inspected by the officers of Customs in lumps or loaves, as if for immediate shipment, and then packed for exportation in the presence of such officers, and at the expense of the exporters ... ..	per cwt.	0	18	9
Upon refined sugar, unstoved, pounded, crushed, or broken, and not in any way inferior to the export standard sample, No. 1, approved by the Lords of the Treasury, and which shall not contain more than Five per centum moisture over and above what the same would contain if thoroughly dried in the stove ... ..	per cwt.	0	18	9
Upon bastard or refined sugar, unstoved, broken in pieces, or being ground, powdered, or crushed, not in any way inferior to the export standard sample, No. 2, approved by the Lords of the Treasury ... ..	per cwt.	0	17	10
Upon bastard or refined sugar, being inferior in quality to the said export standard sample, No. 2 ... ..	per cwt.	0	16	6
	per cwt.	0	13	9

#### WITHDRAWAL OF PROPOSED DUTY ON BANKERS' DRAFTS.

THE representations made through deputations from the banking interests, joint-stock and private, have had the effect of inducing the Chancellor of the Exchequer to withdraw the proposal for levying a penny stamp on bankers' cheques. The inconvenience that would have arisen from the impost was fully pointed out on a previous occasion, and the opinion of the great majority having supported our views, the result has been a graceful concession on the part of the Government. The explanations of Sir G. C. Lewis, in stating the reasons prompting compliance with the appeal made, show that the authorities at the Treasury are not the best informed upon ordinary financial topics, and it will therefore be necessary to watch with vigilance the operation of the present stamp enactments. Annexed are the observations of the Chancellor on the 11th of May, when the bill was withdrawn :—

The Chancellor of the Exchequer said he had received, since he had made his statement to the House respecting a penny stamp on bankers' cheques, various communications from bankers and others, stating certain objections to the imposition of that duty. It was represented to him that the operation of the duty would be to discourage, to a great extent, banking and trade, by preventing customers from drawing cheques to a small amount, such as cheques for £10 and £5. It was stated that small traders especially were accustomed to deal largely in these small cheques, and that they were thereby enabled both to economise and keep their accounts in a more

regular manner. He confessed he had been under the impression that the general average of cheques drawn on bankers was considerably above sums of £5 or £10, but from the evidence laid before him he could not doubt that, in London particularly, the practice of drawing cheques for small sums prevailed to a very great extent, and that it was on the increase. (Hear.) It could scarcely be doubted, then, that the imposition of a penny stamp on such cheques would operate as a discouragement to banking and trade, and it had accordingly been suggested that he should exempt small cheques from the duty. If that suggestion was adopted, however, it would lead to a very complex state of the law. On cheques drawn from a distance of more than 15 miles, a stamp duty of 1*d.* would have been levied; but with regard to cheques drawn within a distance of less than 15 miles, there would then be a double class—for cheques above £10 a penny stamp, and for those below £10 no stamp whatever. This would cause great inconvenience, and, moreover, the difference with respect to amount would open an easy means of evasion, as people would be induced to draw several cheques for sums below £10, to pay sums of £30 or £40. (Hear.) In imposing any new charge on the public, it was most important to avoid anything that would interfere with the operations of trade; and having therefore given the best consideration in his power to the facts which had been presented to him, as the probable result of the proposed alteration of this stamp duty, and looking at the present state of our finances, and the fact that he had deemed it prudent to leave a sufficient margin to meet contingent expenditure—looking at these different considerations, he had come to the conclusion that, on the whole, it would be better not to proceed at present with the proposition, or to urge it further upon the House. (Hear, hear.) He had taken the produce of the duty at £200,000; but he had been told by some persons that it would probably amount to £700,000. Such an estimate was not very consistent with the assertion that the duty would operate to discourage drawing cheques. On the other hand, he had been informed that he should lose in receipts to a greater extent than he should gain on cheques. He should not go into an investigation as to the comparative exactitude of these rival estimates, but would only say that he did not consider the present state of the finances such as made it incumbent on him to urge the bill further. He therefore moved that the order for the second reading of the bill be discharged. After a few words from Mr. Archibald Hastie and Sir J. Duke—the former expressing regret, and the latter satisfaction, at the withdrawal of the bill—the order for the second reading was discharged.

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#### PENNY STAMPS ON BANKING CHEQUES.

IN consequence of the Chancellor of the Exchequer having introduced a bill into Parliament, imposing a stamp duty of one penny on all cheques drawn on bankers, a meeting of the London committee of deputies from the joint-stock banks of England, Wales, and Ireland, was held at the London Tavern, on the 27th of April, present—Joshua Walker, Esq., a director of the London and Westminster Bank, and chairman of the board of directors of the Sheffield and Rotherham Bank (in the chair); J. F. Chowrie, Esq., a director of the Commercial Bank of London; James W. Gilbert, Esq., general manager of the London and Westminster Bank; G. Pollard, Esq., manager of the London Joint-Stock Bank; W. W. Scrimgeour, Esq., manager of the Union Bank of London; Henry Luard, Esq., manager of the London and County Bank; Daniel Robertson, Esq., manager of the National Pro-

vincial Bank of England; and the under-mentioned managers—*vis.*, Mr. Rae, North and South Wales Bank, Liverpool; Mr. Wilson, manager of the East of England Bank, Norwich; and Mr. Cobb, manager of the Hull Banking Company—being in London, attended the meeting. The following resolutions were adopted:—

“1. That the deposit system of banking, which enables individuals to place money in banks, and to make all their payments by cheques, is beneficial to the depositors themselves, to the banks, and to the community at large.

2. That the introduction of joint-stock banks has greatly extended this system, and brought its advantages within the reach of the less wealthy classes of society.

3. That the efficiency of this system would be greatly impaired, and its progress arrested, by the imposition of a tax of one penny upon each cheque; the inducement to open banking accounts will be done away with; the public will be driven to the use of notes and coin, and become their own bankers; money will be thus hoarded, and the country will be thrown back upon a system which prevailed a century ago, without any commensurate advantage to the revenue.

4. That the tax being equal upon cheques of all amounts will proportionably press most severely upon those depositors who draw cheques for small sums; and these classes, having most occasion to regard small savings will be the most likely to close their accounts.

5. That in proportion as this tax shall cause money to be withdrawn or withheld from the banks, in such proportion will capital be rendered unproductive, individuals will be inconvenienced, pecuniary transactions will be obstructed, robberies will be facilitated, and demands created for additional currency, either in bank notes or gold, while the banks will find their operations materially restricted, and their means curtailed of affording facilities to commerce, or of sustaining the financial operations of the Government.

6. That, therefore, in the opinion of this committee, the imposition of the proposed tax ought to be strenuously resisted, both by the banking interest and the public, and that a copy of these resolutions be respectfully transmitted to the Right Honourable the Chancellor of the Exchequer, and forwarded to every joint-stock bank in the United Kingdom.”

In conformity with the above resolutions, the following letter was addressed to the Chancellor of the Exchequer.

“London and Westminster Bank,

*St. James's Square, 28th April, 1855.*

“SIR.—I have the honour to enclose a copy of resolutions passed at a meeting, yesterday, of the London committee of deputies from the joint-stock bankers of England, Wales, and Ireland, and to request you will have the kindness to receive a deputation from the committee upon the subject to which they refer.

I have the honour to be, sir,

Your most obedient servant,

OLIVER VILE,

*Honorary Secretary to the Committee of Deputies from the  
Joint-Stock Banks of England, Wales, and Ireland.”*

The resolutions of the committee, accompanied by the following circular, were forwarded to all the joint-stock banks in the United Kingdom.

"London and Westminster Bank,

*St. James's Square, 28th April, 1855.*

"SIR,—I beg to hand you the annexed resolutions, and to request your immediate attention in adopting every means in your power to prevent the passing of the proposed law,

I am, sir, your most obedient servant,

OLIVER VILE, *Hon. Sec."*

The Chancellor of the Exchequer having appointed one o'clock, on the 1st of May, to receive the deputation, the following persons attended upon him :—Mr. Masterman, M.P. for London; Sir James Duke, Bart., M.P. for London; Sir C. M. Burrell, Bart., M.P. for Ross and Bamber; Mr. John Lewis Ricardo, M.P. for Stoke-upon-Trent; Sir J. V. Shelley, M.P. for Westminster; Mr. Pellatt, M.P. for Southwark; Mr. Fitzgerald, M.P. for Horsham; Mr. Mullings, M.P. for Cirencester; Mr. Jackson, M.P. for Newcastle; Mr. Sadleir, director of London and County Bank; Sir Peter Laurie, governor of the Union Bank of London; Mr. Walker, director of the London and Westminster Bank; Mr. Hutchinson, chairman, and Mr. Capel, deputy-chairman of the Stock Exchange Committee; Mr. J. Fictor Laurie and Mr. Robert Maxwell, directors of the National Provincial Bank of England; Mr. Robertson, manager of the same; Mr. Pollard, manager of the London Joint-Stock Bank; Mr. Vile, manager of the Westminster Branch of the London and Westminster Bank; and Mr. Luard, manager of the London and County Bank. Mr. J. W. Gilbert, F.R.S., general manager of the London and Westminster Bank, would have attended, but was prevented by being absent on the continent.

The deputation were introduced by Mr. Masterman, who opened the business. Mr. Ricardo, Mr. Fitzgerald, Mr. Sadleir, Mr. Laurie, Sir Peter Laurie, Mr. Hutchinson, and other members of the deputation, addressed the Chancellor, pointing out the great inconveniences that would arise from the adoption of the proposed measure—greatly interfering with the present system of passing cheques for small sums—calling into circulation a larger amount of coin than at present used—being an inducement to robbery from the money hoarded in private houses—and adding to the inconvenience already felt in provincial towns, from the present inadequate amount of paper allowed to be circulated—and also pointing out that, to a great degree, stamped cheques would displace stamp receipts, and therefore not benefit the revenue to any extent.

Mr. Ricardo having given notice of moving a resolution in the House of Commons, on the second reading of the bill, the following circular was sent to all the joint-stock banks in the United Kingdom, and forwarded to many Members of Parliament :—

"London and Westminster Bank,

*St. James's Square, 7th May, 1855.*

"SIR,—In reference to the circular which I had the honour of transmitting to you on the 28th ultimo, I beg to call your attention to the following notice of motion in the House of Commons, which has been given by Mr. Ricardo :—

'On the second reading of the stamp duties (drafts upon bankers) bill, to move a resolution—

"That the deposit system of banking, which economises the circulation, and enables individuals to place money in banks, and to make their payments by cheques, is a public advantage, and any measure tending to disturb its operation, or to impede its extension, is unwise and impolitic."

The second reading of the bill is fixed for Friday, the 11th instant, and I have to request that you will endeavour to secure to Mr. Ricardo's motion all the support in your power.

I am, sir, your obedient servant,  
OLIVER VILE,

*Honorary Secretary, Committee of Joint-Stock Banks."*

The Chancellor received the deputation with great courtesy and attention, and acknowledged the highly influential body represented, and intimated his readiness to postpone the further consideration for a short time, if it was considered desirable so to do; adding, that he should like to know the proportion of small cheques drawn—say, not above £10—to the whole. In consequence of that intimation, the following communication was made to him:—

*"No. 1, St. James's Square, 10th May, 1855.*

"SIR,—In consequence of the inquiry you made, when the deputation from the joint-stock banks had the honour of attending you, I have caused an examination to take place, and find that the number of cheques paid, not exceeding £10, amounts to one-third, or 33 per cent. on the whole. A large number of these will, I apprehend, be displaced by stamp receipts, and paid in coin. Should this be so, it will create a larger demand for gold circulation; not only be inconvenient to the public, but the collectors of the taxes will be paid small sums in specie which are now discharged by cheques, and the present contracted paper circulation, in provincial districts, be rendered more unequal than it is already to the wants of the agricultural and commercial community.

I have the honour to be, sir,  
Your most obedient servant,  
OLIVER VILE.

To the Right Honourable the Chancellor  
of the Exchequer."

And on the 11th May, he withdrew the motion which stood for the second reading of the bill.

#### INDIAN FIVE PER CENT. LOAN.

ALL the private advices, as well as the newspapers, lately received from the East Indies, concur in severe remarks upon the recent financial operations of the local Government. In reply to a question on the subject, in Parliament, it was stated that no official account of these operations had yet been received, but there can be little doubt that, as soon as the arrival of the necessary statements shall enable the question to be fairly discussed, it will attract attention. Scarcely twelve months back the Indian Government announced, not only that they were beyond the want of further loans, but that they were in a position to reduce the existing Five per Cents. to Four per Cents., by offering to pay off all dissentients; and, the operation having been successfully carried out, owing to the high point to which prices ascended during the confidence thus generated, they have now, at a period of relapse, come upon the market for a fresh 5 per cent. loan of £2,750,000. Under these circumstances, the persons who were led to accept the conversion, and whose Four per

Cent. stock has fallen to a heavy discount, are naturally indignant; and this feeling seems to have been increased, by an impression that the Bank of Bengal has been a leading instrument in each of the movements. That establishment is said, for instance, to have advanced heavy sums on Government securities, with a small margin, when an inflation of the money market was essential for the practicability of the conversion; and subsequently, on the very eve of the announcement of the new loan, to have resorted to measures of such stringency as to have created a general panic. The professed object of the Government, in their unexpected and ill-timed demand upon the market, is, to carry out public works; but it is suggested that a step so unpopular, if not reprehensible, would never have been resorted to on that ground, and that the real reason has been a desire to fortify the treasury for such contingencies as may be entailed by the existing war. It is to be added, that a further strong complaint is urged by the Calcutta merchants, to the effect that even the immediate announcement of the measure was attended by circumstances of an unworthy character. "The Government opium sale," it is remarked, "took place on Friday without a suspicion of the intended loan being allowed to transpire, but the moment the sale was over, the already-prepared advertisement was put into print, and appeared on the Saturday morning." It was, of course, quite open to the Government to pursue a course of this kind; but the public, in the long run, generally prove more acute than officials, and, after having once been taken by surprise, are likely to contrive for the future to exact a heavy penalty. In the midst of the prevailing derangement, it is satisfactory to find there is no mercantile distrust. On that point, the following occurs in a private letter:—

"The re-appearance of Government as borrowers has, of course, complicated our position here, so that it is impossible to see when the existing pressure may be removed; but, as far as trade is concerned, we believe it to be sound, and that the amount of the Government acceptances falling due next month would be ample to put the Bank of Bengal into a perfectly easy position again, and to supply the whole wants for business purposes. We, too, have not any anticipation of failures, and believe that, unless Government come forward with some further prejudicial measure, the crisis will be weathered without disasters."

In relation to the motives for the loan, the *Calcutta Overland Price Current* makes the subjoined statement:—

"We feel convinced that some pressing emergency has called forth this distasteful act of the Government; and, looking round for a cause, we think the present state of Europe, as developed within the last mail or two, affords good reason to believe that the ministry, wishing to provide against all contingencies, have desired this Government to make itself quickly as strong in that vital point, its treasury, as it can do, without letting the precise object become known; and hence the reason assigned—'a loan for public works,' which, of course, would be supposed to take well with the public. But, if there be any truth in this surmise of ours, we conceive that no such step would be taken for

a paltry 2½ crores of rupees. If war is to reach to our boundaries, or to make calls upon our resources, it will be for no trifle like this; and when the allotted sum is filled up (as doubtless it will be shortly), another and yet another 5 per cent., or even, perhaps, a 6 per cent. loan, may follow upon its heels. Gloomy as this prospect is for the country, we confess we would rather find it to be true, than be obliged to believe in that want of veracity and good faith on the part of Government which otherwise it seems to be open to the charge of."

#### PROGRESS OF PORT PHILLIP SAVINGS BANKS.

From the accounts of the savings banks of the colony for the twelve months ending 30th June, 1854, we gather the following information:—The gross amount of money received and credited by the commissioners during that period, including interest, was—in Melbourne, £4,115 5s. 7d.; in Geelong, £2,989 5s. 9d.; in Portland, £565 4s.; in Belfast, £213 13s. 11d. The sums paid during the same period were—Melbourne, £7,926 10s. 7d.; Geelong, £514 11s.; Portland, £20 1s.; and Belfast, £362 16s. 7d. From the balance-sheet, it appears that the following sums were lying to the credit of the different trustees, viz.:—Melbourne, £166,123 16s. 10d.; Geelong, £9,839 5s. 9d.; Portland, £884 14s. 8d.; Belfast, £1,157 2s. 1d.; making a total of £178,004 19s. 4d. The gross profit during the year was £9,066 15s. 2d.; from which £3,461 9s. 6d. have to be deducted for charges, as follows:—Premiums and exchanges, £638 19s. 3d.; charges of commissioners' department, £1,134 2s. 1d.; charges of Melbourne banks, £1,321 6s.; of Geelong ditto, £249 15s. 6d.; of Portland ditto, £40 4s. 8d.; of Belfast ditto, £77 2s.; leaving a net profit of £5,605 6s. 8d.

From this, allowances for interest to depositors have been made in the following manner:—To Melbourne, £3,556 7s. 11d.; to Geelong, £247 8s.; to Portland, £23 15s. 4d.; to Belfast, £34 1s. 3d.; and the balance, £1,743 14s., had been carried to the Rest Fund, which had previously reached £3,168 8s. 4d. The cost of managing the Melbourne bank is also 37 per cent. of the amount allowed to depositors. Of the funds of the bank, £78,850 are lent on 64 mortgages; £73,300 are lent on New South Wales Land and Immigration Debentures; £20,000 on Melbourne Corporation Bonds; and £8,769 7s., balances in banks. On the 1st July, there were 633 depositors whose balances did not exceed £20, their deposits amounting to £5,264 14s. 11d.; 688 ditto above £20, and not exceeding £50, amounting to £22,269 15s. 7d.; 499 above £50, and not over £100, amounting to £34,291 10s. 10d.; 313 above £100, and not exceeding £150, amounting to £36,344 2s. 1d.; 122 above £150, and not exceeding £200, amounting to £20,691 7s. 8d.; and 162 above £200, amounting to £45,534 15s. 11d.

In the Melbourne Bank, the depositors' balances on the 30th June, 1853, amounted to £132,891 1s. 10d., and the deposits during the succeeding twelve months amounted to £178,003 8s. 6d.; whilst the repayments to depositors during that period was £147,619 10s. 3d., showing, in the twelve months, an excess of deposits over repayments, of £30,383 18s. 3d. On the 1st July, 1854, as compared with the same date of the preceding year, there was in Melbourne an increase of 170 in the number of depositors, and of £33,940 6s. 2d. in the amount of deposits; in Geelong, an increase of 11 depositors, and of £3,269 4s. in amount of deposits; in Portland, an

increase of 28 depositors, and of £249 13s. 8d. in amount of deposits; and in Belfast, an increase of 3 depositors, and with a decrease of £93 13s. 9d. in amount of deposits; showing a total increase of depositors of 212, and in amount of deposits of £37,365 10s. 1d.

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#### FORGERY UPON THE CARLISLE AND CUMBERLAND BANK.

A FORGERY of a serious and somewhat daring character has recently been committed upon the Carlisle and Cumberland Bank, which has resulted in the capture of the forger, and his committal to take his trial at the next assizes. The prisoner, Edward Stewart Wilson, was, for some years previous to 1847, clerk to Mr. G. G. Mounsey, solicitor, of Carlisle, and since that period he does not seem to have had any regular employment, but with the assistance of his friends has been enabled to assume an appearance of respectability. On the 5th February, Mr. Ward, the manager of the bank, received by post a letter dated Carlisle, February 3rd, signed "Thomas Sanderson," stating that, on arriving in Carlisle that afternoon, he was too late to get the enclosed cheque cashed, and requesting, as he was compelled to leave by the next train, in order to be in time for his clerical duties the following day, to have an order forwarded on the London agents of the bank, payable at sight, addressed to him at Langford Vicarage, near Lancaster. The cheque, which was for £538 12s. 8d., was drawn in favour of the Rev. Thomas Sanderson, and purported to be signed by Messrs. T. H. and C. B. Hodgson, who are solicitors in the city, and keep an account at the bank.

Below the cheque was a letter, purporting to be written by the Messrs. Hodgson, and addressed to the Rev. Thomas Sanderson, referring to some recent business transactions, and stating that the cheque was forwarded in payment of the balance due to him for property sold. The paper on which the letter and cheque were written had been damped, so as to give it the appearance of having passed through the copying press in the ordinary way of business. Mr. Ward forthwith drew a bill at sight on Messrs. Hankeys, the London agents, for the amount of the cheque, and forwarded it, as directed, to "the Rev. Thomas Sanderson, Langford Vicarage, near Lancaster." In the ordinary course, the draft was returned by Messrs. Hankeys to the Carlisle and Cumberland Bank. It was indorsed in handwriting similar to that of the two letters received by Mr. Ward, so the matter rested until the 21st of April, when Messrs. Hodgson, on looking at the entries in the pass-book, this item was perceived, and as no such cheque had been drawn in their office, it was at once pronounced a forgery, and steps were taken to obtain some clue to the forger. The postmaster at Lancaster was applied to, in order to ascertain by whom the letter addressed to the Rev. Thomas Sanderson was received. He replied, that he had received a note from the Rev. Thomas Sanderson, dated "Carlisle, February 3" (the day on which the cheque was sent to the bank), stating that a letter would arrive at Lancaster addressed to him, and requesting that it might be returned to him at the post-office, Carlisle. He had accordingly sent the letter back to Carlisle, immediately after its arrival on the Monday evening. Inquiry at the post-office at Carlisle showed that the letter had been received there, and that it had been called for on the Tuesday morning. After the detection of the fraud, suspicion at once rested on the prisoner. It was ascertained that on Monday, the 5th of February, he had been induced to make an engagement for the following evening, but on Tuesday



morning he stated that he would not be able to adhere to it, as he had received a communication which would render it necessary for him at once to go up to London, and he accordingly went off to London that day. On the morning of Wednesday, the 7th, the draft on Hankys for £538 5s. 8d. was cashed at that establishment, and was indorsed "Received, Thomas Sanderson." It was paid in one Bank of England note of £500, five £5 Bank of England notes, and the remainder in gold. Within an hour or two the large note was presented at the Bank of England, and paid, all in gold, and was indorsed "Thomas Sanderson, Langford Vicarage, Lancaster, and Elder's Hotel, Adelphi." Four of the smaller notes were some time afterwards paid into the Bank of England, and were traced to have been in the possession of the prisoner, who paid them to Mr. Luxmore, a pawnbroker, for some gold watches, which were found in his possession, and which he had previously pawned. It also appeared that soon after the draft was cashed the prisoner was in possession of a sum of gold, amounting to nearly as much as the amount of the draft, and that subsequently he called at Messrs. Prescott, Grote, and Co.'s, and paid about £480 to his credit with the bank of Mona, Douglas, Isle of Man. A short time ago the prisoner purchased a house at Douglas for £150, and had been residing there for a fortnight. Previous to his being taken into custody, the prisoner was a young man of apparently devout habits. He recently seceded from the Church of England, and presented to the Roman Catholic church at Warwick, which he attended for some time, a stained glass window, with the inscription, "Pray for the soul of Edward Wilson." He attended the cathedral on Easter Sunday, and took the sacrament!

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#### TRADE OF THE UNITED KINGDOM.

THE monthly returns of the board of trade were issued on the 1st of May, but as there is a departure from the usual period to which they are dated they do not afford the ordinary means of comparison. Hitherto the returns have been to the 5th of each month, and, if there had been no change of practice, those now published would have reached to the 5th of April. But, in pursuance of a recent act, all such documents are henceforth to be made up to the last day of the calendar months instead of the financial months, as heretofore, and the present accounts consequently reached only to the 31st of March. They thus include but 22 working days instead of 27, as in the past years, and therefore, as contrasted with those for the month ending 5th of April, 1854, are five days short. Hence the various totals present an undue diminution, and the declared value of exports appears to be only £7,311,305 against £10,042,754 in the corresponding month of 1854, whereas, by allowing for five days extra, the amount would be raised to about £9,000,000, showing an actual falling off of not more than £1,000,000, a result much less unsatisfactory than in the preceding month, when it was £2,470,496. Metals seem to have experienced the greatest decline, owing to the diminished demand for iron for railway works in the United States and elsewhere. Woollen, cotton, linen, and silk manufactures have likewise been much depressed, as well as haberdashery, hardware, and saddlery, the re-action in the Australian markets being

especially felt in the three latter branches of production. Annexed are the figures for the month ending the 5th of April, 1854, and for the month in part from the 6th to the 31st of March, 1855:—

DECLARED VALUE OF EXPORTATIONS.

	April 5, 1854.	March 31, 1855.	Increase.	Decrease.
Alkali—viz., soda ... ..	49,815	20,678	—	29,137
Beer and ale ... ..	170,336	150,878	—	19,458
Butter ... ..	33,174	27,314	—	5,860
Candles ... ..	16,530	18,595	2,065	—
Cheese ... ..	4,705	3,496	—	1,209
Coals and culm ... ..	193,056	155,208	—	42,848
Cordage and cables ... ..	41,314	33,624	—	7,690
Cotton manufactures ... ..	2,553,751	2,176,272	—	877,479
Cotton yarn ... ..	604,183	513,796	—	90,387
Earthenware ... ..	148,097	67,812	—	80,285
Fish ... ..	9,646	11,786	2,140	—
Glass manufactures ... ..	54,996	45,940	—	9,056
Haberdashery and millinery ... ..	484,161	277,130	—	207,031
Hardwares and cutlery ... ..	374,389	246,299	—	128,090
Leather ... ..	141,875	93,710	—	48,165
Linen manufactures ... ..	414,859	260,731	—	154,128
Linen yarn ... ..	118,181	70,172	—	48,009
Machinery ... ..	193,981	167,259	—	26,722
Metals ... ..	1,662,515	923,779	—	738,736
Oil and seeds ... ..	30,430	85,622	55,192	—
Painters' colours, &c. ... ..	53,311	24,997	—	28,314
Salt ... ..	25,936	21,032	—	4,904
Silk manufactures ... ..	130,248	88,208	—	42,040
Silk, thrown ... ..	17,798	14,660	—	3,138
Silk, twist and yarn ... ..	15,726	25,916	10,190	—
Soap ... ..	29,497	21,633	—	7,864
Stationery ... ..	86,761	63,658	—	23,103
Sugar, refined ... ..	49,852	15,063	—	34,789
Wool, sheep or lambs ... ..	36,454	116,233	79,779	—
Woollen manufactures ... ..	1,033,699	625,506	—	408,193
Woollen yarn ... ..	96,529	160,265	63,736	—
Unenumerated articles ... ..	1,161,949	784,033	—	877,916
Total ... ..	10,042,754	7,311,305		

MERCANTILE SUSPENSIONS.

THE position of credit, so far as the metropolis is concerned, continues satisfactory. No failure of importance has occurred in London since the appearance of the last number of the *Bankers' Magazine*. Those which have taken place are wholly associated with the provinces, where the excess of late speculation continues to produce unfavourable results. Taking them in the aggregate, however, they do not represent an important amount, the iron trade having, to all appearance, suffered principally from the lapse of the accommodation system, which has temporarily been exhausted from the extent to which it was previously carried. The following is a list of the leading firms which have been prejudicially affected:—

May.	Messrs. Rose, Fletcher, and Co., Birmingham, iron trade.
"	" Mellors and Russell, Liverpool, South American trade.
"	" Coutts and Parkinson, Newcastle-upon-Tyne, engineers,
"	" Davies and Co., Birmingham, iron trade.
"	" Toy and Co., Birmingham, iron trade.

In the case of Messrs. Rose, Fletcher, and Co., the liabilities are stated to reach £75,000, and the creditors have accepted arrangements, by which it is assumed they will realise a dividend of 7s. 6d. in the pound, payable by instalments, extending over a period of two years. Messrs. Mellors and Russell have suspended for a heavy amount, but an exact estimate cannot yet be given, their trading having been carried on in connection with the whole of the South American markets. There is an expectation that, if they eventually fail to discharge the entire of their engagements, a respectable dividend will, at least, be forthcoming. It is understood that Messrs. Coutts and Parkinson have suffered from liabilities in the metal trade, but to what amount cannot be correctly ascertained. With regard to Messrs. Davies and Co., and Messrs. Toy and Co., £200,000 is alleged to be indebted in one case, and £60,000 in the other.

#### THE UNITY JOINT-STOCK MUTUAL BANKING COMPANY.

The question raised with respect to the liability of customers, who agree to participate in profits, as proposed in the constitution of this new bank, has apparently been completely set at rest by the ascertained opinions of Sir R. Bethell, Mr. W. W. Cooper, and Mr. J. S. Willes. The directors have acted prudently in appealing to high legal authorities, and the answer having been favourable, they, of course, will now forthwith proceed to organise the undertaking. The case, with the answers of counsel, is thus presented:—

#### "LEGAL OPINION.

##### NON-LIABILITY OF CUSTOMERS.

"A doubt having been expressed as to the practicability of carrying out the newly proposed principle of mutuality without making the customers partners in the bank, the solicitor was entrusted to obtain the best and most conclusive legal opinions on this point. The attention of the reader is earnestly requested to the following satisfactory opinions, given by three eminent legal authorities, namely, the Solicitor-General, Sir Richard Bethell, Mr. W. Wellington Cooper, of the Chancery Bar, and Mr. James S. Willes, of the Common Law Bar.

*Chambers, 27a, Bucklersbury,  
May 17th, 1855.*

#### *Re Unity Joint-Stock Mutual Banking Association.*

Dear Sir,—In accordance with instructions received, I have submitted the following question, having reference to the liability of customers of the Unity Joint-Stock Mutual Banking Association, in carrying out the new principle of mutuality in banking, to the Solicitor-General and Mr. W. W. Cooper, of the Chancery Bar, and also to Mr. James S. Willes, of the Common Law Bar.

The following is a copy of the question, and their opinions, which you will, I am sure consider to be perfectly clear and conclusive.

#### QUESTION.

Whether the receipt by a customer, in the way proposed by the clauses taken from the deed of settlement of the Unity Joint-Stock Mutual Bank-

ing Association, of an annual or half-yearly interest on his minimum, or any other balance for the preceding year, render such customer, either directly or indirectly, liable as a partner in the bank.

OPINIONS.

In our opinion, the receipt by a customer, in the way proposed by the clauses taken from the deed of settlement, of an annual half-yearly interest on his minimum, or other balance for the preceding year, does not render such customer, either directly or indirectly, liable as a partner in the bank.

We cannot suggest any amendment of the clauses referred to.

*Lincoln's Inn,*  
23rd April, 1855.

WM. WELLINGTON COOPER,  
JAS. S. WILLES.

It appears to us to be a conclusion warranted by the existing state of the decisions on the subject of partnership, that the receipt by a customer in the manner proposed, of an annual or half-yearly interest on his minimum or other balance for the preceding year, will not render such customer, either directly or indirectly, liable as a partner in the bank.

*Lincoln's Inn,*  
May 15th, 1855.

RICHARD BETHELL,  
WM. WELLINGTON COOPER.

I am, dear sir, yours truly,                      THOMAS TAYLOR."

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## **Banking and Commercial Law.**

### **LEADING CASES ON BANKING AND COMMERCIAL LAW.**

#### **THE LAW OF EQUITABLE LIENS.**

**RODICK v. GANDELL**, 19 *Law Journal Chancery*, 113.—Certain engineers had overdrawn their account with their bankers, but the engineers, having large claims on railway companies, requested the solicitor for those companies to write to the bankers, and say that they would pay the money to be received from the companies into the bank, to the credit of the engineers. The bank acknowledged the receipt of this letter. The engineers having become bankrupt, the bankers claimed the debts due from the companies, but it was decided that the claim could not be sustained.

When bankers—having made advances, which subsequent events show to be in danger—look about them for security, and find that tangible property has all been encumbered, they often succeed in obtaining a lien on debts. The following case is an instance in which such an attempt failed, and in a note we shall particularly point out instances where an equitable lien has been obtained; the facts of the case sufficiently appear in the judgment of the Master of the Rolls.

We are only able, in the present number, to give a part of the judgment, but in the next number we will give the remainder of the judgment, and also the note.

The Master of the Rolls—In this case Messrs. Gandell and Brunton, who were engineers, were employed in the way of their profession by certain railway companies, against whom they claimed large sums of money to be due to them. Those companies employed the defendant Mr. Westmacott, or Messrs. Pinneger and Westmacott, who were partners, as their solicitors, to settle the amount of the claims made against them by Messrs. Gandell and Brunton; at the same time Messrs. Gandell and Brunton employed the Liverpool Union Bank, now represented by the plaintiff, their public officer under the statute, as their bankers, and became indebted to the bank in a large sum of money, payment of which was pressed for. In this state of things, Messrs. Gandell and Brunton desired that the debt which they owed to the bank should be secured by means of the debts which were owed to them by the railway companies; and it is alleged by the plaintiff that, in the month of December, 1845, the debts due to Gandell and Brunton were in equity assigned to the bank as such security, to the extent of £3,000 at least, and the relief sought by the bill is founded on that allegation.

Two questions are made—first, whether there is any such assignment as is alleged; secondly, whether such assignment became valid as a security for anything more than the sum of £3,000, which was actually due to the bank at the time when the security was accepted, either as against Gandell and Brunton, or the defendants Messrs. Pinneger and Westmacott, or Mr. Westmacott alone.

There is no doubt but that a creditor, by ordering or directing his debtor to pay the debt to another person, may, in equity, effectually assign the debt to such other person; and it appears, by the case of *Burn v. Carvalho*, that an equitable assignment may be made effectual by a distinct promise and agreement to apply the fund in an agent's hands in a particular manner, and to give directions for that purpose to the agent. It is settled that, in equity, there may be a valid assignment of funds and property to be subsequently acquired, even in the case where the acquisition depends on contingencies and possibilities only.

In considering the evidence of the transaction which took place in this case, it is necessary to keep in view the position of the several parties.

It seems clear that the authority and direction given by the letter of Gandell and Brunton extended to all the moneys due from the railway companies to Gandell and Brunton, who appear to have so considered it.

It does not appear that Messrs. Gandell and Brunton ever did what in their letter they stated they had done—"send to London for a similar letter, covering only the amount of the advance to us, £3,000."

I am of opinion that, as the matter stood, after the transaction of the 29th of December, 1845, the security, whatever the nature of it was intended to be, was meant to extend only to the amount of about £3,000, including the sum previously due, and the sums to become due, in payment of the drafts then consented to be paid, and that Mr. Westmacott, if he had received £3,000 on account of the debts due by the companies to Messrs. Gandell and Brunton, and had caused the same to be paid to the bank, would have been justified, as against Gandell and Brunton, and would have been entitled to have his letter of the 27th of December returned to him by the bank.

Now it appears that Mr. Westmacott did, in point of fact—on behalf of the companies and by their direction, out of their funds, and on account of the debts due from them to Gandell and Brunton—pay to Gandell and Brunton, in the early part of 1846, several sums of money, amounting to more than £3,000, notwithstanding his promise and undertaking contained in his letter of the 27th of December; he paid no part of this money to the bank, gave no notice to the bank, and permitted his letter of the 27th of December to remain in the hands of the bank. It is represented by him,

and on his behalf, that in this transaction he acted only as the agent of the companies, made payments only by their order, and received nothing under the authority of the letter of the 27th of December. I am surprised such an evasion should have been attempted, and consider it quite clear that, although ordered by the companies to pay to Gandell and Brunton, he was bound to consider the moneys that were received or placed under his control for the purpose of payment, as received by him on account of debts due to Gandell and Brunton from the companies, and subject to this undertaking. And that, on making the payment to Gandell and Brunton, if his letter was only a promise or undertaking, he violated that promise or undertaking; and if it amounted to an assignment of the moneys he should receive on account of the debts, he paid to Gandell and Brunton sums of money which he knew had been assigned to the bank, and which he had undertaken to pay to the bank on receipt.

The bank, notwithstanding the declared resolution in December, 1845, to make no further advances to Gandell and Brunton, were, nevertheless, induced to act as their bankers, and receive and pay moneys on their account. The subsequent receipts exceeded £3,000, but their subsequent payments were still greater; the balance of the running account was never paid, and when Gandell and Brunton became bankrupts, they were very largely indebted to the bank.

From the subsequent dealings, I strongly incline to think that, as between Messrs. Gandell and Brunton and the bankers, the transactions were such as to extend the security, whatever was its nature, beyond the original intention, and to make it applicable to the balance at any time due to the bank. But it appears to me, that the right of the plaintiff to any relief in this suit depends on the question, whether there was, in the first instance, an equitable assignment of the debts due from the railway company to Gandell and Brunton, or of so much of such debts as should be received by Mr. Westmacott.

If this is the case, Messrs. Gandell and Brunton had promised and agreed to assign to the bank the debts due to themselves from the railway companies, and to give the railway companies the necessary directions for that purpose. The case of *Burn v. Carvalho*, which was mainly relied upon by the plaintiff, would have been authority for considering the transaction as an equitable assignment, notwithstanding a failure of the promised direction to the debtors.

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## Legal Miscellany.

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IN RE —.

*Court of Bankruptcy, Basinghall-street, May 12.*—(Before Mr. Commissioner GOULBURN.)

AN important question under the arrangement clauses came before the Court. A house engaged in the Australian trade, which failed for a large amount, petitioned this Court under the arrangement clauses of the Consolidation Act, 1849. The creditors had appointed trustees, one of whom was a creditor for £90,000. In consequence of a few creditors refusing to agree to a composition, but insisting upon payment in full, the partners in the firm petitioned the Court under the 212th section. According to the provisions of the statute, an affidavit is annexed, that the petitioners have assets ready to be produced to the value of £200 and upwards. In this case, that sum was paid over to the official assignee when the petition was filed, on the 30th of March, 1855, and the petitioners set forth that their

inability to meet their engagements arose from their not obtaining remittances from Adelaide and Melbourne, where they had consigned large quantities of goods. In accordance with the prayer of the petition, protection was given to their property and persons.

Mr. Lawrance now applied that the petition might be dismissed, and that the £200 paid into the hands of the official assignee might be restored to the petitioners. There were £40,000 in the hands of the trustees when the petition was filed, and he believed that £10,000 more had been since then realised.

His Honour—What steps took place under the petition ?

Mr. Lawrance—None at all. No creditor attended.

His Honour—So, having obtained protection for their persons and their property, they now come here to ask that the £200 may be handed back to them ?

Mr. Lawrance—It is plain, the creditors did not wish to follow up the petition here ; and, consequently, the petitioners ask for the dismissal of the petition.

His Honour—The dismissal of the petition will amount to an act of bankruptcy under the statute.

Mr. Lawrance said he was aware of that, but that was no cause why the Court should not grant his application.

His Honour could not see how he could not make any order for delivering up the £200, under such circumstances.

Mr. Lawrance said that, though the dismissal of the petition would amount to an act of bankruptcy, yet of that the Court could not, so to speak, take notice.

His Honour—They are then bankrupts ?

Mr. Lawrance—Not until the trading was proved, and the petitioning creditor's debt established ; neither of which could be done unless by creditors, but the creditors were satisfied.

His Honour—But an act of bankruptcy having been committed, is the official assignee not obliged to take notice of it ? Is he justified in handing over the money ?

Mr. Lawrance—Yes ; in the same way as when a bankruptcy is superseded, though the act of bankruptcy still remains ; for, if the act of bankruptcy was upon a declaration of insolvency, a creditor can proceed upon it for a month after—if an assignment to the creditors, in twelve months after.

His Honour, after some further discussion, made the order dismissing the petition.

## **Reports of Joint-Stock Banks.**

### **PROVINCIAL BANK OF IRELAND.**

THE thirteenth annual meeting of this corporation was held on the 17th May, at the offices, in Old Broad-street, Mr. Farrer in the chair.

The Secretary, Mr. Hewat, having read the advertisement convening the meeting—

The Chairman said, the proprietors had heard by the advertisement which had been read, that they had been summoned that day for the purpose of electing four directors, and of having laid before them the directors' report of their proceedings for the past year. The usual course was to take the election first, and then take the ordinary business of the meeting. The

gentlemen who went out by rotation were Mr. James Farrer, Mr. James Fletcher, Sir James Weir Hogg, Bart., and Mr. John Petty Muspratt.

These names having been put to the vote *seriatim*, the gentlemen were all unanimously re-elected.

The Secretary then read the following report :—

"In meeting the proprietors on this occasion, the directors have the pleasure of stating that the past year has been characterised by a steady progress in that course of improvement which, during some previous years, had been gradually extending throughout Ireland. It will be in the recollection of the proprietors, that, for several years prior to 1851, great distress existed in that country, and that its trade and general business were much depressed and disorganised, from causes which are too well remembered to need explanation at this time. In the report in May, 1851, it was mentioned that symptoms of improvement were then perceived, and the directors have had the satisfaction in each subsequent annual report to record the gradual progress of that improvement, and now it may be said that the agricultural and trading interests are generally in a thriving and prosperous condition.

The grain crop of 1854 was a decidedly good one. Oats especially were very productive, and of fine quality; and wheat and barley, though not quite so good, were considered an average crop. The stock of cattle, sheep, and pigs has continued to increase and to improve; and, as high prices have been obtained for these and for all descriptions of agricultural produce, the past season has been a peculiarly favourable one for the occupiers and for the owners of land.

The flax crop must, however, be again noticed as an exception. It was not a good or remunerative crop, either last year or the preceding one; and the linen manufacture in the north of Ireland has been less satisfactory than usual to those engaged in it, arising from the dull and depressed state of both the home and the foreign market.

The business of the bank has continued to be prosperous, as the proprietors will perceive by the result which is exhibited in the following statement :—

The account submitted to the last yearly general meeting, in May, 1854, showed the amount of rest, or undivided profits, March 25, 1854, to be .....				£145,318	9	11
Out of which there was paid to the proprietors a bonus of 4 per cent. at Midsummer, 1854, amounting to ...				21,600	0	0
Leaving a balance of ... ..				£123,718	9	11
And there has been further deducted the amount of two half-yearly dividends paid to the proprietors as follows, viz. :—						
At Midsummer, 1854 ... ..				£21,600		
At Christmas, 1854 ... ..				21,600		
				43,200	0	0
Leaving of the rest of last year a balance of ... ..				80,518	9	11
To which there has since been added the amount of net profits for the year ending on the 31st, being the last Saturday of March, 1855, after deducting the property tax, and providing for all bad and doubtful debts ...						
				81,698	5	9
Making the amount of rest or undivided profits at March 31, 1855 ... ..				£162,216	15	8



In conclusion, the directors will only add, that, viewing the affairs of the bank as in a very satisfactory condition, they are of opinion that they will be justified in again making a division of profit beyond the usual dividend, and they have accordingly now to announce that it is their intention to pay, in July next, a bonus or extraordinary dividend of £1 on each £100 share, and 8s. on each £10 share, of the capital stock of the bank, in addition to the half-yearly dividend of 4 per cent. ; making the amount to be then paid £2 on each £100 share, and 16s. on each £10 share, for the half-year ending at Midsummer next ; and they will also, as heretofore, pay the property tax for the proprietors."

The Chairman said he felt quite sure that the very short report which they had just heard needed no commendation to secure it the approbation of the proprietors, and he even flattered himself that the "thrice-told tale" would not prove irksome or appalling. (Hear, hear.) He should content himself with merely moving that the report be adopted, printed, and circulated ; but custom had almost established the necessity of the chairman addressing a few words to the proprietors who honoured them with their attendance. He might state that the report, though short, contained all that could be interesting to gentlemen connected with Ireland, or as shareholders in this company. The report spoke of the prosperity of that country (Ireland), and it at the same time informed the proprietors that they had largely participated in that prosperity. Since the establishment of the bank, they had never had so good a year as the present. There had been in Ireland but a few failures. There had, indeed, been some in the north of Ireland connected with the linen trade, from which the bank, he was happy to say, had escaped almost entirely untouched. There had been some few failures also in the south, of a more serious nature, but they had been brought about by collateral circumstances, and not directly connected with the Irish trade. In speaking generally, there had been no failures of importance in legitimately established Irish business. He merely stated this to show that the directors were justified in giving an additional dividend in the shape of a bonus. The rest was larger than it had ever been since the establishment of the bank. This was now the third year that the directors had had the pleasure to announce to the proprietors additional dividends. The first occasion was in the year 1853 ; the rest was then £132,000, and they gave a bonus when the rest was £132,000. The next year, though they had given that bonus, the rest was increased to £145,000 ; the directors, therefore, thought themselves justified in giving an extra dividend at that time. At the end of the present year, instead of the rest being diminished by the previous bonus given, it now amounted to £162,000, being a larger rest than they had ever had since the establishment of the bank, and he hoped and trusted that they would go on under equally favourable circumstances, and with the same good results. Now he would say a single word as to the state of the country in Ireland. He believed it to be in a state of great prosperity, which continued to increase day by day. Internally, there was in Ireland peace and quiet ; there was full employment for every industrious individual who was disposed to be employed, and at good wages. There was not, perhaps, a stronger way of showing that the country was not otherwise than prosperous, than by taking the number of persons who had received poor relief, which had vastly diminished. It was stated last year, that there was a large decrease of persons receiving relief ; and again, this year, the number had still further diminished. Last year, the numbers were 409,668 ; in the present year (1854), persons receiving in and out-door relief were 319,816—being a diminution out of 400,000 odd of no less than 90,000. That was the best proof of there being less distress prevalent, and, indeed, everything was going on as well as could be wished.

for ; and it was a startling fact, that no longer back than the year 1849, two years after the famine, the number receiving poor relief was 2,132,700, and that in the course of these few years the numbers had diminished from upwards of 2,000,000 to 319,000. He had said he would occupy but little of the time of the meeting, but he could not help adverting to one fact, which his friend Mr. Hewat had pointed out to him as showing the capability of improvement of the land, and the profitable employment of money in Ireland. An instance had occurred in the county of Kerry, where a gentleman undertook to improve thirteen acres of land, which he thoroughly drained and subsoiled and tilled at an expense of £160. The crop produced that same year £210, leaving the land greatly improved, and a positive gain of £50, after payment of the whole outlay. Another case occurred in Carlow, where a gentleman took a farm from an insolvent tenant who had paid no rent for three years ; the ground was worn out, and overgrown with weeds, briars, and bushes. The land was underdrained, tilled, and subsoiled, at an expense of ten guineas per acre, and the very first year the gentleman paid himself 15s. an acre over and above the outlay ; the land was then two or three times more valuable than it had ever been before. Surely this was very encouraging, when gentlemen saw that good land made good returns for any capital and labour expended on it, and it should be a strong inducement for landlords to persist in that course. He should be doing great injustice to himself and his colleagues, if he did not say one word more. He had to congratulate the proprietors on the fact that the bank was now in a more wholesome financial condition than it had ever been since its establishment ; but that happy point had not been arrived at without the delicate, the indefatigable, and earnest attention paid to the concerns of the bank, in general and in details, by their excellent officers, especially those who were at the head of this establishment—who were gentlemen who for mind, integrity, zeal, and individual exertion, could not be exceeded by any men. If, indeed, his friend Mr. Hewat were not seated near him, and if he were not afraid of causing a blush in his face, he could say much—and he knew he could not say one word which would not meet with a decided response from all his colleagues at the board. Of Mr. Murray, the chief officer of the establishment, he could say the same thing. He was an excellent officer, who had been with the establishment since its formation. One gentleman, Mr. Rawlins, was unfortunately absent, from illness. Having said this much, he should content himself with moving that the report be adopted, printed, and circulated. If any gentleman had questions to put on any points, he should be ready to give him a satisfactory answer.

The Rev. J. Lawes said that, in speaking of the report, it was a great satisfaction to find that, in the past two years, their rest had increased nearly £30,000, after deducting the bonuses of 4 per cent. After deducting the bonus and the two approaching dividends, their reserve was nearly £100,000. He cordially seconded the motion.

The question was then put by the chairman, and carried with acclamation.

Sir Burton M'Namara, in moving a vote of thanks to the officers of the bank, observed that, as the directors had been so successful in their system of giving bonuses, they would probably extend that principle to those whose exertions had brought the bank to its present prosperous condition, namely, the officers of the company.

Major Chase seconded the motion.

The Chairman, on putting the question, said, the suggestion which had been made by the hon. gentleman was only in accordance with the wishes of the board of directors, who were always desirous to act liberally and kindly by their officers. (Hear).

The question was put and carried.

Mr. Hewat, on behalf of Mr. Murray, Mr. Rawlins, and himself, and of the other officers, returned thanks for the compliment which had been paid to them, and assured the meeting that their best exertions would always be devoted to merit the continuance of the same kind feeling.

The Chairman thanked the proprietors for their attendance.

#### NATIONAL PROVINCIAL BANK OF ENGLAND.

THE annual general meeting of the above bank was held on the 10th of May, at the offices in Bishopsgate-street. Mr. J. F. Laurie was in the chair. The advertisement by which the meeting had been convened having been read, the following report was read by the chairman :—"The directors have the honour to present to the proprietors their 22nd annual report. The directors have to inform the meeting of a recent but important accession of business. In consequence of the death of Mr. Kinnersley, the only surviving partner of the firm of Messrs. Kinnersley and Sons, bankers, Newcastle-under-Lyme, his executors opened a negotiation with the directors, which they are happy to state has resulted in an arrangement under which the National Provincial Bank has become the successor of that old and highly respectable concern. The directors take this opportunity of tendering their best thanks to the numerous customers of Messrs. Kinnersley's bank, for the ready and cordial support which, almost without an exception, they have given to the bank which has been thus opened at Newcastle. The directors have at the same time to state that the branch of the company at Plymouth has been closed, and the business transferred to the neighbouring branch at Devonport. The proprietors will no doubt recollect that, in the early progress of the establishment, an issue of 10,000 £20 shares was determined upon. Of this number, however, only 6,083 were allotted. To meet the demand from the country for the company's shares (which were not to be obtained in the market), and with the view of strengthening the bank's local influence, the directors, towards the close of last year, distributed amongst applicants at the company's branches the remaining 3,917 shares, at a premium of £6 per share, the then market price. The premium received upon these shares amounts therefore to £23,502. Of this sum £7,473 19s. 6d. have been applied in extinction of preliminary expenses, and the balance, £16,028 0s. 6d., has been added to the reserve fund. The paid-up capital of the bank is now £450,000; its subscribed capital, £1,200,000; and the number of proprietors, 838. In its political and commercial aspect the opening of 1854 was full of gloom and discouragement. The protracted negotiations on the Eastern question obviously appeared to be drawing to an unsatisfactory close, the hopes of peace gradually became fainter, and in the month of March the whole of the mercantile and trading interests were unhinged by a declaration of war. At the same time, accounts of glutted markets abroad, and falling prices, indicated that heavy reverses were impending over the export trade of the country, while at home was experienced the combined influence of a high price of food, and a high value of money. The effect of these depressing circumstances was partially arrested, about the middle of the year, by the favourable prospect of the harvest, which proved one of the most abundant the country has enjoyed for many years. This, indeed, was the most cheering feature in the history of 1854, which has been a year of great fluctuation and commercial vicissitude; partly owing, no doubt, to a state of war, but mainly to the excessive exports of the last three years, which over-

stocked the markets of the world. But although the commercial and trading interests have suffered during the past year, the operations of banking have been attended with great success. Great activity prevailed in the agricultural districts, and the general business of the country, although subject to ebbs and flows, was upon an extensive scale, whilst a high value of money ranged throughout the year. Benefiting especially by the last-mentioned circumstance, the directors are enabled to present the following favourable statement of accounts:—

Jan. 1, 1854. Rest, or undivided profits, at 31st December, 1853, as exhibited at annual meeting in May, 1854	£149,883	1	1
Less.			
Bonus declared and paid in 1854, out of this amount	16,433	4	0
Reserve fund, set apart in Government securities .	133,449	17	1
Dec.31. Net profits of 1854, after making allowance for bad and doubtful debts	73,279	4	1
Total	£206,729	1	2
Deduct.			
Dividend on company's stock for 1854	32,866	8	0
Leaving	£173,862	13	2
To which has to be added premium on shares issued	£23,502	0	0
Less balance of preliminary expenses	7,473	19	6
	16,028	0	6
Leaving rest, or undivided profits, at 31st December, 1854	£189,890	13	8

On this statement the directors intend to declare a dividend at the rate of 8 per cent. per annum, and a bonus of 6 per cent., the bonus to be paid along with the half-yearly dividend at the usual period in July next. The following directors go out of office by rotation, but being eligible for re-election, offer themselves accordingly, viz.—Mr. W. J. Maxwell, Mr. L. Nicholson, and Mr. R. Bell. Two vacancies have occurred in the direction by the death of Mr. A. Hill, and the retirement of Sir J. N. R. Campbell, to supply which the following qualified proprietors have offered themselves as candidates, viz.:—Sir J. S. D. Scott, Bart., and Mr. R. B. Wade."

The chairman, in moving the adoption of the report, said—I think, gentlemen, that we are in a condition to congratulate ourselves on the position in which the bank now is (cheers). The year 1854 was no ordinary year; it was a year which began in gloom, and in which, for the first time after the lapse of forty years, this country found itself engaged in a war with a great European power. There was considerable commercial depression, arising, no doubt, from over-trading at the commencement of the year; and there were circumstances which required, on the part of all those having the management of commercial concerns in this country, great prudence in the conduct of their affairs (hear, hear). I think, indeed I trust, you will consider that the directors of this bank did, during the period, their duty towards the interests of this establishment (hear). They have continued to manage your affairs on those principles which have hitherto always guided them; that is, not striving after great profits, which are always accompa-

nied by considerable risk, but endeavouring to give you a remunerative return for your money, without incurring great responsibility, and looking principally to security (hear, hear, and cheers). Their object has been principally—of course, taking care of your interests—to look to the safety of the operations of the bank (hear, hear), and I think I may, as one of your directors, congratulate you upon your present position, and I feel that every proprietor of this establishment may sleep soundly, without fear that we are incurring any dangerous responsibility (cheers); and that, in putting your money into this bank, you are at this moment laying up for yourselves a very handsome income, which is likely to be much increased for those who come after you. I think, also, I may congratulate you on the continued confidence of that great portion of the public who have entrusted us with their pecuniary affairs, for I perceive that, year by year, the more the people in the country become acquainted with our mode of business, the better they are pleased with it. I cannot give you a stronger proof of this than in referring to the manner in which our establishment at Newcastle-under-Lyme has been received there. That is a large and important manufacturing place. There is, I believe, only one bank there. Its operations are very considerable, and the executors of Mr. Kinnersley had so high an opinion of us, that they came and offered, on advantageous terms, to transfer the good-will of that establishment to our bank. Of course that transfer, as far as the public are concerned, would not have been of any value to us unless we were able to give to the customers transferred to this establishment, the assurance that we could manage their affairs with the same ability, and give them the same substantial security they had had under the old firm. I think the public have been satisfied with us, for I believe we shall not lose a single customer of the old bank; and I anticipate we shall make by the transaction a very handsome return for the investment we have made and for the trouble and exertions we have undergone and shall make. There is one other subject which I am desirous of touching upon before I sit down. It is one upon which myself and my brother directors have a common and cordial feeling—viz., the desire we have to express our high sense of the very valuable services rendered to the bank by Mr. Robertson especially, and the other officers of the establishment, and I beg you will allow me to express, in the name of myself and the board, our strong sense of the great good he has done, both to us and the bank itself (cheers). He then moved the adoption of the report.

Mr. Bell seconded the motion, which was carried unanimously. The retiring directors were then re-elected, and Sir J. S. D. Scott, Bart., and Mr. R. B. Wade were elected directors, in the place of Sir J. N. R. Campbell and Mr. A. Hill. A vote of thanks was given to the managers and other officers connected with the branch banks of the establishment, and a cordial and unanimous vote of thanks passed to Mr. D. Robertson, the agent and manager of the bank, and to the other officers of the new establishment.

The proceedings concluded with a resolution of thanks to the directors for the very able and successful manner in which they have conducted the affairs of the bank.

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#### NATIONAL BANK OF IRELAND.

THE annual general meeting of this society was held on the 23rd of May, at the offices, 13, Old Broad Street. Mr. F. Newsom was voted into the chair. The secretary having read the advertisement in the *London Gazette*, convening the meeting, next proceeded to read the report as follows:—

"Report of the directors of the National Bank of Ireland, made to the proprietors at the annual general meeting, held at the office of the company, No. 13, Old Broad-street, London, on Wednesday, the 23rd day of May, 1855.

At the end of last year, the National Bank of Ireland had been established twenty years, and the directors have now the pleasure of presenting to the proprietary their report of the state of its accounts up to the 31st of December last.

At the last annual general meeting, it was recommended by the proprietors that the board should institute an inquiry as to the prudence of opening a branch of the bank at Belfast, a request which had the early attention of the directors, but, as it appeared to them quite obvious, from all the information they could collect in the best channels, on the spot and otherwise, that Belfast already possessed ample banking accommodation, and that it would not be conducive to the interests of the National Bank to open a branch at that place, the directors thought it right not to proceed further in the matter.

The directors having, with the consent of the proprietors, commenced banking business in London, in July last, they are happy to say that, so far as the short period which has subsequently elapsed affords any criterion, the experiment has been successful. Without desiring, in the least degree, to run a race of competition with other older established banks, the directors have obtained many English drawing and deposit accounts, and have pursued the usual banking business with considerable advantage to the general profits of the institution. At the same time, increased facilities are afforded to the customers of the bank in Ireland, by an arrangement for drawing short-dated bills direct upon the head office in London, which has increased the transactions of the bank to a very important amount.

On the whole, therefore, the directors may fairly hope that in time the proprietors will find a fresh source of profit, and their Irish constituency derive increased accommodation from the banking business as now conducted in London.

The past year was highly favourable towards developing the resources of Ireland, and conducing to its prosperity. Providence blessed it with a good harvest, and the high prices of grain, accompanied by the demand for salted provisions, occasioned by the war, have, generally speaking, added to the wealth of the agricultural, contributed to the comfort of the labouring classes, and been of solid benefit to the mercantile community. As a consequence, however, of the alternate state of confidence and distrust occasioned by the different phases which the progress of the war in the Crimea has from time to time assumed, great fluctuations have taken place in the prices of grain, and entailed heavy losses upon speculators, so that during the spring considerable failures were the result; yet for the last six months there has been again a steady and profitable business transacted by the mercantile classes; and as the whole face of the country shows that the cultivation of the land is widely extending, and that the present breadth of land sown is far greater than was ever before known, the directors look with every hope to a continuous and progressive improvement in the condition and happiness of Ireland, which already affords so gratifying a contrast to what prevailed a few years since.

With the prosperity of the country the prosperity of the National Bank continues to advance, and the accounts which the directors have now the pleasure to submit will, they trust, fully meet the expectations of the proprietors.

The profit and loss account now stands as follows, viz. :—

Balance of undivided profit at December, 1853	...	...	£20,602	17	11
To which must be added the net profits of 1854, after paying income tax, writing off all bad and providing for doubtful debts	...	...	47,223	6	6
			£67,826	4	5
Deduct half-year's dividend to Midsummer, 1854, at 6 per cent. per annum	...	£13,500	0	0	
Ditto, ditto, to Christmas, 1854	...	13,500	0	0	
			27,000	0	0
			£40,826	4	5
Adding to this the balance of insurance fund	...	...	3,665	2	7
And there will then remain a total reserve fund, on 31st December, 1854	...	...	£44,491	7	0

The assets are as follow :—

Bullion, government stock, exchequer bills, cash on hand, and at bankers	...	...	£1,557,987	11	9
Bills discounted, loans and advances on current account...	...	...	2,066,013	10	6
Bank premises, London, Dublin, and branches	...	...	31,667	8	1
			£3,655,668	10	4

Against the liabilities of—

Paid-up capital, London Stock	...	...	£450,000	0	
Do. Local stock	...	...	21,197	10	
			£471,197	10	0
Circulation	...	...	1,133,328	10	0
Due by the bank on deposit receipts, current accounts, &c.	...	...	2,066,651	3	4
Insurance fund	...	...	3,665	2	7
Reserve fund	...	...	40,826	4	
			£3,655,668	10	4

From these accounts, the proprietors will not fail to observe, on comparing them with those of last year, that the same gradual increase in deposits and circulation alluded to in their last report continues to prevail; confirming, beyond doubt, the accumulation of wealth by the middle classes, and the expansion of the business of the country.

The directors have not been regardless of the admitted merits of their officers, and, in addition to the usual periodical increase to the salaries of those who have not yet reached their maximum, they have thought it right to acknowledge their zeal and attention to the interests of the bank, by paying for them the income-tax on their salaries.

The decease of the late Mr. Maurice O'Connell obviously necessitated the closing of his account, by disposing of the various collateral securities lodged with the bank, all of which, with one exception, have been realised, and the proceeds placed to his credit; that exception the directors hope the proprietors will consider an honourable one, being the plate of the late Mr. Daniel O'Connell, and mostly testimonials presented to him on different public occasions, which, on his death, had descended to his heir, Mr. Maurice O'Connell, and of which the board felt confident that it would

never be the wish of the proprietors, under any circumstances, to deprive the family. They, therefore, took upon themselves to restore it to the present heir, Mr. Daniel O'Connell, eldest son of Mr. Maurice O'Connell, as a gift, in the name of the proprietors, and which the directors confidently rely will have their hearty concurrence.

There are now four directors to be elected in the room of Messrs. Fowler Newsam, George Ashlin, Octavius Ommanney, and Robert Sutton, who, agreeably to the deed of settlement, retire by rotation at this meeting, but who are eligible for re-election, and offer themselves accordingly."

The Chairman then rose and said,—Gentlemen, the directors have much pleasure in again meeting the proprietary, and they hope that the report which has just been read will be considered so satisfactory that the motion which I am about to make, that the same be received and adopted, and circulated among the proprietary, will be carried unanimously. Though the report is intended to be a full exposition of the position and prospects of the bank, still I trust that a few words from me will not be unacceptable. (Hear, hear.) The most prominent feature in the report, and to which the directors refer with the greatest pleasure, is the continuance of the improvement in the social condition of Ireland. (Hear, hear.) It would seem as if at the present moment everything combined to produce that happiness, contentment, and prosperity to which she had been so long a stranger. A few years back she had to struggle against the visitations of pestilence and famine; her trade experienced sad reverses, and her sons were compelled to seek in distant lands that employment which they could not obtain at home. (Hear.) But happily, under Divine Providence, how different is her state at present. Her fields have just yielded an abundant harvest, and are now again sown to a greater extent than ever; the railways, which now intersect the country from north to south, have opened in various ways, and not the least in her long-neglected fisheries, fresh sources of wealth. The spirit of enterprise which now pervades the agricultural interest ensures good wages to the labourer, and is mainly doing away with the desire of emigration. (Hear.) I am sure I shall be borne out in the observation by many present, that scarcely any country could boast a spectacle like that exhibited at the last Ballinasloe Fair. Every one knows that the state of that fair has long been the test of the agricultural condition of Ireland; and therefore I could not refrain, in alluding to the impulse given to that important source of prosperity in Ireland, to advert to the gratifying fact, that at the last Ballinasloe Fair, the business done was greater by nearly one half than on the preceding occasion, there being 82,000 sheep and cattle disposed of in 1854, against 57,000 in the year 1853, and at an average of 20s. higher prices. So great was the demand from distant places, that this bank alone paid letters of credit to the amount of nearly £100,000. Few persons can have an idea to what extent the farming and grazing interest has increased in Ireland within the last five years. A customer of this bank has live stock at present upon his farm of the computed value of £20,000, a case which may meet with its parallel, but is not often exceeded in any country. These are unmistakable evidences of a salutary movement in the right direction; and I have adverted to them because it is clear that in the increasing prosperity of the country we have the best possible guarantee for the progressive advancement of the National Bank. (Hear.) The next point alluded to in the report is that which conveys the satisfaction of the directors that the banking business in London, so far as it has gone, has quite answered their expectations, and the result offers every inducement to pursue it with increased energy. The directors have, indeed, no doubt that it will in time afford additional sources of advantage and convenience to



their customers in Ireland, and prove a source of profit to the shareholders, especially if our Irish friends will avail themselves of such opportunities as offer to recommend it to their English connections. The directors feel confident that, in dealing with the plate of the late Mr. Daniel O'Connell, they have only anticipated the wishes of the proprietary (hear); and it is the earnest hope of the directors that it may now remain as an heir-loom in the family for generations to come. As regards the accounts this day submitted to the proprietary, they speak for themselves, and fully justify the augmentation of the dividend which the directors thought themselves warranted in announcing at the last general meeting; for, after paying the increased rate of 6 per cent., free of income tax, above £20,000 out of the profits of the year have been added to the rest, which now amounts to £40,800 odd, and is thus beginning to assume those proper proportions which the reserve fund of an institution based upon and existing by public credit, should attain. (Hear, hear.) It will be the study of the directors to enlarge that reserve still further, so that the dividend of 6 per cent. may become a permanent one—one not likely to be affected by the casualties or losses of a bad year, should such, by any unforeseen circumstances, arise. In the meantime, though we feel that it would be unbecoming on our parts to speak boastingly of the position of the bank, and fruitless to draw comparisons between what the bank once was and is now, still I feel I might be considered as wanting in common candour if I did not distinctly and advisedly state, that nothing can be more satisfactory and promising than its present prospects. (Hear.) Long may they continue so, so that, after having accumulated an ample reserve fund, we may soon have the pleasure, like our neighbours, of talking of bonuses to the proprietary. (Hear.) In the meantime, allow me to move the resolution that the report be received, and adopted, printed, and circulated amongst the proprietors.

Dr. Magee said the course he had taken in former times, generally speaking, in regard to this bank, was one in opposition to many things which were presented in the reports, and as he had not before, for past years, been so satisfied with the transactions which had taken place, he now felt it his duty to say he was exceedingly pleased, and was well content with the first advance the bank had made. They might hope, under the guidance of the directors, that the bank would now advance and prosper. He was certain that there was no bank in Ireland which had the confidence of the people in a greater degree than the National Bank. For himself, he had perfect confidence in the directors, and he spoke as an Irishman and a man of some experience, and the reason why he seconded the motion was, that he should thereby testify his entire approbation of it.

The question having been put by the chairman, was carried unanimously.

The four retiring directors, Messrs. George Ashlin, Octavius Ommanney, Fowler Newsam, and Robert Sutton, were unanimously re-elected.

Dr. Magee, after some preliminary remarks, concluded by moving the following resolution:—"That in the opinion of this meeting the present and prospective extension of the business of the bank, beyond the limits of Ireland, renders it advisable that the name of the bank should be modified, under the power for that purpose reserved by the deed of settlement; and the meeting therefore request that the suggestion conveyed by this declaration of their opinion may receive the early consideration of the court of directors, and that the directors will also, if they shall deem it advisable, forthwith take the necessary steps to convene a special meeting of the shareholders, with the view of carrying out that suggestion."

The motion having been seconded, was carried unanimously.

A vote of thanks to the directors and officers of the bank followed.

The Chairman, on behalf of the board, said, that nothing could be more gratifying to them than to receive such an acknowledgment of their services, which would act as a greater stimulus to merit the continuance of the approbation of the proprietors; and, assisted by the same attention and fidelity on the part of their officers, he hoped it would continue to prosper, as it had hitherto done.

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## Communications.

*To the Editor of the Bankers' Magazine.*

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### COUPONS AND STAMP DUTIES.

SIR,—So many and so widely different are the opinions prevailing, respecting the liability of interest warrants, or coupons, to stamp, and so various are the practices with respect to such documents that we daily see around us, that you would surely be doing well to invite a general discussion of the whole matter in your columns.

At the present time, a holder of coupons issued by four different railways or other public bodies, will probably receive four different answers, if he present them personally for payment; possibly, if he present them through one channel only. One bank will tell him that coupons are essentially receipts, therefore not liable to duty, if under £2; a second will tell him that they are drafts, payable to bearer, and therefore only liable when they circulate 15 miles from home; a third, that they are simply drafts, payable to order, all, consequently, requiring a penny stamp. Fearful of having his coupons returned for correction, he probably stamps them all, although dissatisfied with the want of coherence amongst his instructors. Will he not be, naturally, still more vexed when, on presenting them at a fourth bank, he is gravely told that they have for many years past sent up multitudes of such documents for payment, without having in one single instance been required to stamp?

A coupon must surely be one of these four things:—

An order to pay to bearer on demand;

An order to pay to order on demand;

A promissory note (or bill of exchange), to pay at a future period to bearer or order (it matters not which);

A written acknowledgment, implying the cancelling of a claim or payment of a debt, *i. e.*, a receipt.

If the first, it obviously requires a penny stamp only when it circulates beyond 15 miles. If the second, it invariably requires, on its formation, a penny stamp. If the third, an *ad valorem* bill stamp. If the fourth, a penny stamp only when it exceeds £2.

Hearing daily disputes on this question—always unsatisfactory, and occasionally keen—I took the liberty to write to the Board of Inland Revenue, for their opinion; although I was, of course, aware that such opinion cannot carry the authority of a law court, and that this Board have occasionally reversed their explanations.

The nature of my questions may be gathered from this letter to you, and the following is their reply:—

“Coupons are not receipts, but orders for the payment of money, and liable to the duty of 1*d.*, as drafts or orders for payment to the bearer or to order on demand, or as bills of exchange, if payable, not on demand, but at a future period therein named.

"The sum of £2 is not a limit either one way or the other, as whatever be the sum for which the draft or bill of exchange (as the case may be) be drawn, it is liable to duty."

Perhaps some one of your correspondents may have received from the same official source an iota of information, which you perceive the answer sent to me lacks—namely, whether coupons are drafts payable to *bearer* or to *order*; a most important distinction, bearing upon the 15 mile clause. Supposing that they are promissory notes, ought not the debtor party to stamp them, *ad valorem*, before they are given up to the lender or payee? I trust that some of your able correspondents will speedily settle the question for ever, or put it into a way of adjustment.

Yours faithfully,

May 15th, 1855.

A. L. T.

#### LIABILITY OF WITNESS TO INDORSEMENT ON BILL BY A MARKSMAN.

SIR,—You cannot but be aware of the considerable sums of money which arrive from year to year in Ireland from America. For the information of your readers, I may state, that the remittances are forwarded by Irish emigrants to their relations and friends at home, in sums varying from one to thirty pounds; and, to give some idea of the large amount that has arrived for some years back, I may mention, that I have myself been the medium of distributing very close on £500 a month, or £6,000 per annum, from one branch bank alone, in the west of Ireland. On a late occasion, the following occurrence took place. An emigration order for upwards of £20 was presented at a country bank for payment, which, on inspection, was found to be properly indorsed, viz., as the party to whom it was payable could not write, her mark was properly affixed, together with the name of an attesting witness, a very respectable man, whose handwriting was well known to the bankers. As is always the case, the order was at once paid, and, in a short time afterwards, it was discovered that it had fallen into wrong hands, and, in consequence, the bankers were called on to pay the money over again, which they accordingly did, having first prosecuted and convicted the woman who had obtained the money under false pretences.

Query—Does the law allow any remedy against the attesting witness, in such an instance, or is the bank obliged to pay the order at its own risk?

The above cited case had one peculiarity which I should mention. The attesting witness was aware that the name in the body of the order did not exactly correspond with the criminal's name, and it would be a hardship if the law gave no protection to the bankers in such an instance. But, suppose the names of both to be John Jones, would the law allow any remedy against a witness attesting the mark of the wrong man?

I am, sir,

AN IRISH BANKER.

[We think the law allows a remedy against the witness, if he can be fixed either with guilty knowledge or gross negligence, but not otherwise.]

#### PENNY DRAFT STAMP.—BANKERS' ISSUES.

SIR,—The firm of Duignan and Son, of the Walsall Bank, are issuing paper to resemble country notes payable to the *bearer* seven days after

date, and stamped with a penny draft stamp. Are such drafts in accordance with the act 9th Geo. IV., cap. 23? and if so could they be re-issued? as this form, if legal, might greatly obviate the difficulties of the limited issue, and would be serviceable to many others besides

Yours truly,

5th May, 1855.

A COUNTRY BANKER.

[The common penny draft stamp does not apply to bills drawn otherwise than on demand. The *ad valorem* duty applicable to ordinary bills of exchange, and which must be the die stamp, and not an adhesive stamp, begins at one penny, and a bill for exactly £5 might be issued payable at a certain time after date to bearer on an impressed stamp of one penny. If the bill is less than £5, it requires the formalities prescribed by 17 Geo. III., c. 30. If more, it requires a higher stamp than one penny. The last stamp act was a special clause relating to bankers to prevent any irregular issue.]

#### DESTRUCTION OF BANK NOTES.

*A chiel's amang you cuttin' notes,  
"An' gars us patch 'em."*

*Burn'im.*

SIR,—We have heard very much lately of abuses abounding in various departments of the state, and a good deal might be said of one relating to bankers, which has also strong claims for redress. I refer to the practice in many banks of cutting all mixed notes remitted to London, and sending the halves by separate posts in order to save the small fee charged for registration by the post-office, regardless alike of the annoyance and trouble which this system occasions to their London agents, and also at the place of issue, when the notes return thither.

The greater proportion of notes in circulation are subjected to this mutilating process, which originates in certain economising establishments, whose names are pretty well known in the neighbouring localities; and if the practice is persisted in, a remedy must be found in the unenviable notoriety that would follow the publication of their names to the whole banking community.

The London joint-stock banks might, however, more simply, abate the nuisance at once, by refusing, as the private banks do, the trouble of receiving notes in this shape, and pasting the halves together, with the too familiar patch of gum paper which is acquired at their hands.

I am, sir, your most obedient servant,

18th May, 1855,

K.

#### QUESTION.

SIR,—A being indebted to B, advertises his goods for sale by public auction, and, before the sale, absconds, for the purpose of defrauding his creditors. At the auction, B purchased goods, which were delivered to him, and for which he paid by a cheque on his bankers, payable to A or bearer. B afterwards stopped payment of the cheque; the cheque was presented by a third party—a relation of A's, and was refused.

Can the holder of the cheque recover against B, without showing that he gave a consideration for it?—which it is not supposed he did.

A SUBSCRIBER. J. S.

[Yes. It seems to us that the delivery of the goods at the auction to B was a good consideration for the cheque, although A was indebted to B,

and that the holder may recover, although the cheque was given to him; and if the cheque had remained in A's hands, the transaction hardly permits of a set-off. If A were a bankrupt, his assignees may have some right to interfere, but, if not, we think B must pay the cheque.]

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## **Notes of the Month.**

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**INDIAN RAILWAYS.**—A steady and progressive rise in the shares of the several guaranteed lines of East Indian railways has not escaped notice. They have latterly absorbed a considerable amount of capital, the prospect of a low rate of money having induced investments. The certainty of a guarantee of 5 per cent., under the authority of the directors in Leadenhall-street, combined with advantage of a participation in subsequent profits, renders this description of shares preferable in some respects to Government annuities; and consequently parties who are desirous of securing an undisturbed income have purchased largely, even at the late advanced quotations. These securities are now in a more favourable position than ever, because some practical experience is now being derived of the working of the undertakings when brought into active operation. It is found that the revenues of the East Indian and the Great Indian Peninsula, from the portions of route at present opened, are gradually increasing, and that, instead of aversion on the part of the native population to this mode of conveyance, they give it a decided preference. An additional circumstance in favour of Indian shares, is the facility which will shortly be obtained for their transfer in the presidencies, where they will, no doubt, be adopted as superior to many other floating securities now negotiable in those markets. The Madras, next in importance to the railways already referred to, is making rapid progress, and the other schemes—the Scinde, and the Bombay and Baroda—have been forwarded as far as they can with regard to preliminary arrangements. Although the East India Company have been liberal in the terms which they have allowed to facilitate the construction of these great works, the essential benefit which they will be sure to confer on the territory through which they pass, will eventually fully compensate the concessions granted. Fluctuations in the value of the different classes of shares may occasionally arise from sudden pressure, or local, political, and mercantile disaster; but, compared in other respects with ordinary shares and railway securities, they exhibit a medium through which a fair and secured return can be obtained for surplus capital. The Scinde railway is being promoted with vigour, and since the line is short, and passes through a wealthy district, every endeavour will be made to complete it without delay. When the whole of these undertakings shall have been carried out, the resources of Bengal, Bombay, and Madras, will be extended in a ratio far more important than they could have been by any different species of internal improvement.

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**ROYAL BANK OF AUSTRALIA.**—The case of Mr. Mark Boyd, now under the administration of the Court of Bankruptcy, opens a fresh page in the narrative of the organisation of the Royal Bank of Australia. This gentleman, with his late deceased brother, was concerned in the formation of this establishment, which, principally through a Scottish influence, was successfully brought into operation. A series of adventures—some would call them speculations—was commenced by Mr. B. Boyd with the funds of the bank; and these having turned out unfortunate, insolvency ensued, and the company has had to be wound up, after lengthened litigation, with great loss to the shareholders. The demand of £30,000, made upon the estate of Mr. M. Boyd, from the official manager appointed in Chancery, has been the proximate cause of his having to pass the ordeal in Basinghall-street, the debts and liabilities in other respects being limited. With such an incubus, it was impossible that he could hope to follow his other occupation of a stock and share broker; and, consequently, his appear-

ance as a bankrupt was, in a degree, compulsory. The death of Mr. B. Boyd has placed it out of the power of the proprietors to obtain a full revelation of the bank's transactions, some of which, doubtful as they appear to have been, might seem less reprehensible if all accompanying circumstances were known. The bank, however, is now defunct: its business was of a transient and unsatisfactory character, and its originators and supporters have suffered severely by its collapse.

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A CHEQUE FOR A "CONSIDERABLE AMOUNT."—In the recent negotiations for the loan of £16,000,000, it will be remembered the contractors were Messrs. Rothschild. Having been supported by the subscriptions of friends, they were recognised as the acting firm in the transaction. In paying the first deposit to the Government, the cheque they drew upon their bankers, Messrs. Smith, Payne, and Co., was for the sum of £1,200,000.

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## Reviews.

*The Remembrancer.* No. 1.

THIS periodical is addressed to the friends and supporters of the Provincial (Welsh) Insurance Company, and contains full and interesting essays upon the advantages of Fire and Life Assurance. The progress of the establishment, and the position and wealth of the shareholders, show that the districts in which operations have been carried out, appreciate the exertions of the directors, who are rapidly acquiring a valuable and influential business. The attempt to disseminate information on this all important topic throughout the Welsh counties, we trust will meet with its merited success.

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*Trade and Partnership, &c.* By SERVITON BOULT. Effingham Wilson, Royal Exchange.

A VERY readable treatise, on a very important topic. If we cannot agree with the whole of the conclusions, there is, nevertheless, information afforded which deserves the notice of all thinkers. The relative duties and proper liabilities of the merchant and the State is a suitable question for philosophical inquiry.

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*First Steps towards an Universal System of Decimal Coinage.* Smith, Elder, and Company, Cornhill.

ANOTHER pamphlet on the decimal system, worthy of perusal, as tending to elicit new theories. The suggestions offered are thrown into the form of tables, for the sake of brevity, and the heads of a bill for regulating the moneys of the United Kingdom are furnished. The author, in order to render his system effective, would abolish the use of troy weight, avoirdupois weight, and all other measures of weight in force for monetary purposes, and introduce the "normal or decimal pound," which he contends will supply every convenience required.

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## BANK MOVEMENTS.

The directors of the City Bank have secured the space in Threadneedle-street, lately in the occupation of Sir F. G. Moon, as the site for their business premises.

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The shareholders of the Colonial Bank have authorised the directors to apply to Government for a supplementary charter.

The directors of the Bank of London have nearly completed their preliminary arrangements. Mr. Matthew Marshall, son of Mr. Matthew Marshall, chief-cashier of the Bank of England, has been selected for the post of manager—this gentleman having had some twenty years' experience in the bill and branch banks offices of the Bank of England. Mr. Benjamin Scott continues for the present provisional manager, until Mr. Marshall can conveniently assume office, when the former will take the secretaryship, with some other attached appointment. The premises secured for the head banking-house are those until lately called the Hall of Commerce, in Threadneedle-street, which will shortly be in the hands of an architect for adaptation to the purposes of the bank. The capital is distributed amongst 400 shareholders, and the directors have called for £40 per share, which, with the deposit already paid, will make 50 per cent. of the capital. £20 of the call is payable on the 20th June, and the remaining £20 on the 25th August. The Board of Trade have intimated that the charter will be granted, and only awaits the necessary formalities of sealing. Under these circumstances, the opening of the bank is expected in the course of the autumn.

The directors of the Oriental Bank Corporation have made arrangements for occupying a principal portion of the South Sea House, and it is expected they will take possession at the close of the year. Mr. Franks stated at the South Sea proprietors' meeting, that a sub-purchase of a part of the property had been made for £30,000, and this probably is the portion which will be appropriated to the service of the Oriental Bank.

Mr. James Knight, late of the United Guarantee Association, and for some years at the Union Bank of London, has been appointed general manager of the Unity Mutual Joint-Stock Banking Company.

#### MONTHLY CHRONOLOGY.

May 3rd.—The Bank directors reduced the rate of discount from  $4\frac{1}{2}$  to 4 per cent.

May 5th.—Intelligence received of a severe engagement on the 1st and 2nd, before Sebastopol, in which the Allies took the whole of the Russian rifle pits, also nine mortars and 200 prisoners.

May 7th.—Resignation of M. Drouyn de Lhuys, the French Minister of Foreign Affairs, in consequence of a misunderstanding with the Emperor, with respect to the Vienna Conferences. Count Walewski, the French Ambassador to the Court of St. James's, appointed to succeed M. Drouyn de Lhuys.

May 9th.—Failure of Messrs. Rose, Fletcher, and Co., ironmasters, Birmingham.

May 9th.—Announcement of the blockade of the Baltic ports by the Allied fleets, the blockade to date from the 28th April.

May 10th.—Failure of Messrs. Mellors and Russell, Liverpool, Brazilian trade, and Messrs. Coutts and Parkinson, Newcastle-upon-Tyne, engineers.

May 14.—Suspension of Messrs. Toy and Son, ironmasters, Birmingham.

May 15th.—Opening of the Paris Universal Exhibition by the Emperor in person.

May 18th.—Resignation of General Canrobert, Commander of the French army in the Crimea, and the appointment of General Pelissier as his successor.

May 21st.—Failure of Messrs. Davies and Co., of West Bromwich, in the iron trade.

May 22nd.—Reduction of the rate of interest on Exchequer bills, from  $2\frac{1}{2}$ d. to 2d. per cent. per diem.

May 22nd.—Cronstadt declared in a state of siege.

May 24th.—All the other Russian ports in the Baltic also declared in a state of siege.

May 26th.—Ministers gain a majority of 100, on Mr. Disraeli's motion respecting the result of the Vienna Conferences.

May 28th.—Intelligence received of the capture of Kertch, and other successes of the allied forces before Sebastopol.

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## *Monetary Intelligence.*

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### MONETARY REVIEW.

THE aspect of financial and mercantile relations has, during the last few weeks, experienced a decided alteration for the better. The increased abundance of money, together with the more settled appearance of trade, has exhibited, in the midst of war and political agitation, the strength of our national resources, and the small prospect of their being permanently affected. The abortive result of the Vienna conferences, the retirement of M. Drouyn de Lhuys from the French ministry, and the doubts entertained of the stability of the Palmerston government, have, for the moment, lost their weight, a further reduction in the rate of the Bank's discount, and the continuous arrivals of specie, turning the tide of popular opinion, and promoting activity in various quarters. The great present effect has been upon the Funds, but it is expected that we shall see, before long, a partial revival in commercial affairs. Already favourable symptoms are presented of an approaching change, and, notwithstanding the progress of recovery may be slow, it is more desirable that it should take place by easy stages, than by any violent and unanticipated movement. While, however, this amelioration is apparent, it is not to be supposed that an entire resumption of business can be looked for, since a protraction of hostilities will necessarily engender caution and tend to fetter, in a material degree, the free activity of general enterprise. An anxiety for peace is expressed among several sections of the community, and it is said the good offices of Austria may be still employed towards accomplishing this desirable object; but it must be clearly understood, that if such an arrangement is contemplated, the public will criticise most jealously the terms on which it may be based. The principal supplies of gold have been received from Australia, but the remittances from America have also proved important. With a stock of bullion in the Bank, reaching nearly £17,000,000, it is not surprising that the rate of discount varies from 3 to 3½ per cent., although the directors have not yet (the 28th of May), gone lower than 4 per cent. For deposits, the quotations may be called from 2½ to 3 per cent. On the Stock Exchange, advances are obtained on English securities at very easy rates.

Such has been the buoyancy of business in Consols, that an improvement of about 3½ per cent. is noticeable in prices. After exhibiting heaviness in the early part of the month a rapid advance followed, the influx of specie, and more cheering intelligence from the Crimea having caused the public to purchase largely. From 88½, the lowest quotation, the rise has been steadily supported until 91½ to ½ has been reached, and the present price is 91½ to ½. No particular influence has been produced on Exchequer bills by the alteration in the rate of interest, and they exhibit firmness. The omnium of the new loan has been maintained, at very full quotations. It has progressed with Consols, and is now 3½ to ½ premium. The scrip was delivered from the Bank of England on the 4th of May, and the settlement was effected on the 7th. Two defaulters were announced, owing to speculation, and the differences of the principal one were con-



siderable. A payment on the loan of 15 per cent. (£2,400,000) was made on the 22nd of May, being the first, in addition to the deposit of 10 per cent. at the time of subscription. The next will be 10 per cent., on the 19th of June.

The Committee of the Stock Exchange have resolved, in compliance with the desire of the members, that on and after Saturday, the 16th of June, official transactions shall cease on Saturdays at one o'clock, and that the building shall be entirely closed at two. This is one hour earlier than heretofore, and the resolution will be likely to promote the desired adoption of analogous arrangements on the part of other public bodies.

Foreign securities have improved, in some degree, with the rise in English stocks, and the advance, as will be perceived by the usual table of fluctuations, has been general. A large amount of business has taken place in Turkish, on the presumption that the British and French Governments must afford the Sultan assistance, through the means of a guarantee, in raising further supplies of capital. The consequence has been active operations, which have, after some fluctuations, carried the value of the bonds in the market to par. Having touched that point, sales produced a re-action of about  $2\frac{1}{2}$  per cent., but there has again been a recovery, and they now stand at 79, or within 1 per cent. of their recent highest point. Two millions, it will be recollected, remain to be issued of the five millions included in the original contract, and it is in the expectation of some general fresh arrangement being made that speculators have shown a disposition to purchase. An improvement of from 3 to 4 per cent. has been exhibited in the case of Venezuela, but it has not been supported. The arrival of a commissioner, to settle for a resumption of dividends, first caused a favourable impression, but no intimation of what he proposes has yet been afforded; and, in the meanwhile, discouraging accounts have been received from the government, who, it is feared, will again be shortly involved in hostilities with New Granada, on a question of boundary. Mexico, it is alleged, is about to effect a further sale of territory to America, and the stock has advanced, under the impression that the bondholders may be allowed to participate in any money payment derived therefrom. All the northern securities have been maintained with steadiness—Russian, under the most disadvantageous circumstances, continuing to show strength. Dutch is gradually creeping up.

The demand for railway investments has improved, particularly those of guaranteed and good dividend lines. There has, however, been no spasmodic rush after any special description, except the whole of the East Indian shares, which have been readily purchased by the various classes of capitalists who desire a permanent and fixed return. The revenue of the English, Irish, and Scotch Companies has lately augmented; but the drawback occasioned by the long-timed inclemency of the season, will, it is conjectured, be found to have interfered with their general prosperity. Although quotations are now fairly supported, the impression among the dealers is, that they will not at present experience a much greater advance. The approaching settlement may possibly test the actual condition of business.

All miscellaneous shares have, more or less, fluctuated. The range of transactions has been wide, and not confined to dividend undertakings. The abundance of money is perceptibly exercising its influence, and the low-priced varieties will, no doubt, speedily come into request. Bank shares are very steady, and, notwithstanding the diminished inquiry for accommodation, exhibit a favourable tendency.

The transactions in produce have not been extensive, but the plethora of capital has promoted business. An advance has occurred in cotton, the

stock having been reduced, and deliveries increasing. The sales of indigo and wool have terminated favourably.

The following are the fluctuations in the English and Foreign Stocks, and Railway Shares, during the month just concluded :—

	Price on April 28.	Highest.	Lowest.	Price on May 28.
<b>ENGLISH FUNDS.</b>				
Consols ... ..	89 to 87½	91½	88½	92½
Exchequer bills' average ... ..	4s. to 7s. pm.	17s. pm.	4s. pm.	15s. to 18s. pm.
<b>FOREIGN STOCKS.</b>				
Brazilian ... ..	—	99½	98½	99½
Buenos Ayres ... ..	—	54½	53½	54
Chilian ... ..	—	—	—	—
Dutch, 2½ per cent. ... ..	—	64½	62½	64½
Mexican ... ..	20½	22½	20½	22½
Peruvian, 4½ per cent. ... ..	—	69	67½	68½
Portuguese, 4 per cent. ... ..	—	44½	41½	44½
Russian ... ..	98½	99½	98	98½
Spanish ... ..	36½	38	36	37½
<b>RAILWAY SHARES.</b>				
Brighton ... ..	97½	101½	97½	101½
Caledonian ... ..	58½	61	58½	61
Eastern Counties ... ..	11½	11½	11½	11½
Great Northern ... ..	89½	93	89	93
Great Western ... ..	63	68	62½	68
Lancashire and Yorkshire... ..	75½	80	75	80
London and North Western ... ..	97½	100½	96½	101½
Midland ... ..	68½	72½	68½	72½
North Staffordshire ... ..	12½	12½	12	12
South Eastern ... ..	59½	61½	59½	61½
South Western ... ..	80	84½	79½	84
York, Newcastle, and Berwick ... ..	70½	75	70	75
York and North Midland ... ..	47½	50½	47½	50½
East Indian... ..	24½	25	23½	25
Northern of France ... ..	—	35½	35½	35½

#### THE STATE OF TRADE.

THERE is still much depression in the manufacturing districts, and notwithstanding the abundance of money, the prospect of general revival appears rather remote. Should the accounts by the next two or three mails from Australia show that the alteration for the better is likely to be permanent, a fresh demand for exportation will, in all probability, spring up. The American trade has not recovered from the abuse of confidence so greatly manifested during the disasters of last year.

#### THE GRAIN TRADE.

DURING the end of April and the beginning of May, the weather, being bleak and dry, was unfavourable to the progress of the crops. Since the middle of the month, partial rains have been experienced, but not to the necessary extent for the improvement of the land, or the general purposes of agricultural operations. Now fine, warm weather has set in, which will prove beneficial, if accompanied by strong showers; and it is yet expected that the harvest may reach an average estimate, even if it should not be abundant. Operations in all descriptions of grain have been freely carried out, and prices have again advanced, the uncertainty respecting the pros-

pects of the war, and the contingencies of the season, encouraging purchases. At a juncture like the present, opinions widely differ as to the future range of quotations. Taking into consideration the knowledge, that the letters from the United States mention a larger tract of country under cultivation than was ever before known, with satisfactory assurances of its immediate production, the majority incline to the impression that good rates will be generally maintained.

The *Gazette* returns for England and Wales have been:—

Week ended 1855.	Wheat Qrs. sold.	Weekly Average.	Six Weeks' Average.	Duty.	Corresponding Six Weeks Last Year.
		s. d.	s. d.	s. d.	s. d.
April 28.....	92,190 ...	68 4 ...	68 2 ...	1 0 ...	77 5
May 5.....	102,082 ...	69 5 ...	68 7 ...	1 0 ...	77 8
„ 12.....	96,727 ...	73 4 ...	69 5 ...	1 0 ...	78 3
„ 19.....	97,879 ...	76 1 ...	70 8 ...	1 0 ...	79 1

The importations since the harvest of 1854 have been:—

	Wheat. Qrs.	Other Grain. Qrs.	Total. Qrs.
Thirty-nine weeks ended 18th April.....	1,089,284	1,568,079	2,657,363
Four weeks ended 16th May .....	199,799	199,134	398,933
	1,289,083	1,767,213	3,056,296

And the *weekly averages* have been:—

Thirty-nine weeks ended 18th April .....	28,000	40,000	68,000
Four weeks ended 16th May.....	50,000	49,000	99,000
	More 22,000	9,000	31,000

### EAST INDIA REMITTANCES.

#### AMOUNT OF BILLS DRAWN FOR.

From the 25th of April to the 8th of May	Bengal.....	£14,205	7	1
	Madras.....	2,912	17	9
	Bombay ...	4,085	8	4
From the 9th to the 24th of May .....	Bengal.....	£4,711	4	0
	Madras.....	1,763	6	8
	Bombay ...			
		£27,678	3	10

### NOTICES TO CORRESPONDENTS.

Two or three articles stand over for want of room. The communication on the "Renewal of the Bank Charter," and a Report of the Oriental Bank Meeting, are necessarily deferred. It may as well, however, be stated, that the dividend declared in the latter case was at the rate of 10 per cent. per annum, and that the report and accounts were received as satisfactory. All letters, unless they involve important questions, should be forwarded by the 20th of the month.

F. T. and W. P. H. are informed that their questions involve some important points on the stamp laws, and require much consideration. They shall be answered next month.

A VICTIM will perceive that the point has not been lost sight of. The whole proceeding is most discreditable to the parties concerned.

A BANKER'S CASHIER—Application should be made in the ordinary manner to the chairman or the secretary. Some appointments, it is understood, have been made, but others remain to be filled.

ERRATUM.—In the letter of "Phoenix," inserted last month, page 333, ninth line from the bottom, read "members" instead of "numbers."

# THE BANKERS' MAGAZINE;

AND

Journal of the Money Market.

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JULY, 1855.

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## THE FAILURE OF MESSRS. STRAHAN, PAUL, AND BATES.

THE failure of the firm of Messrs. Strahan, Paul, and Bates is an event which has, in a degree, tended to paralyse reviving confidence. The announcement, although it was not received in some quarters with surprise, has attracted much public attention, the probable consequences arising from it being likely to affect all classes of creditors. "Few disasters," it is remarked, "have latterly occurred in connection with financial affairs, which have created greater consternation than this. Occupying a responsible and respectable position in banking circles, carrying on the double business of private bankers and navy agents, the partners, it is alleged, have entered recklessly into wild and uncertain speculations, through which they have not only sacrificed the whole of their private property, but have also absorbed that belonging to their customers. Though it was not supposed that the house possessed an extensive business, it was, nevertheless, until very recently, considered perfectly solvent, and its representatives were regarded as men of sound integrity and wealth. The established reputation of nearly two centuries, the antecedents of which appear to have been favourable, has hardly prepared the public for a discovery of such palpable mismanagement as that which it is feared will be developed in the investigation of their affairs. Rumour has heralded the causes which have tended to produce this unfortunate catastrophe, and the sudden failure, hurried bankruptcy, and attendant criminal proceedings only too plainly testify to the disagreeable truth of the leading statements." A more curt and melancholy description of the suspension could scarcely be conveyed, and it is greatly to be regretted that it does not appear to have been in the least degree exaggerated. The papers for nearly the last three weeks have teemed with the various statements which

have been put into circulation respecting the adventures of the firm, and their results, and the majority seem to be unfortunately correct. From these and from other sources, correcting, so far as is possible, slight visible inaccuracies, we have presented what may be considered a fair and impartial *résumé* of the features of this distressing case. It should be premised, that the firm of Messrs. Strahan and Co., bankers, of the Strand, and Messrs. Halford and Co., of Norfolk-street, while carrying on operations in two different branches of business, were in reality one, and that their suspension was contemporaneous. The private property of the partners must have been considerable, because it is known that Sir J. D. Paul succeeded to large landed estates,\* the entail of which, it is mentioned, he "cut off" some time since for the benefit of the bank; and the resources of Mr. Strahan have been put down at nearly £200,000. Mr. Bates is understood to have been originally a superintendent of the banking business, from which position he was eventually raised to that of junior partner; but it is not believed that he introduced any capital.

The separate occupations of bankers and navy agents—one carried on under the title of Strahan and Co., the other under the title of Halford and Co.—brought them into the possession of large funds; but, instead of retaining or judiciously employing them on securities readily available for the purposes of their business, the partners have been induced to launch into unprofitable foreign railway contracts, which have more or less augmented their embarrassments. But while the unsatisfactory result of these is stated to be the proximate consequence of the explosion, the drain of capital was not so

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\* A friend, singularly enough, turning over a file of old papers the other day, stumbled on the following paragraph, respecting a sale of estates on the 25th or 26th of June, 1827:—"Yesterday, a sale, unparalleled in this country for its importance and extent, and the amount produced, took place at the Auction Mart, which was crowded to excess with a most respectable assembly, including several eminent capitalists of the City, and the principal agriculturists and landholders in the kingdom. The properties which were consigned to the hammer comprised the Crowland Estate, Lincolnshire, the property of Mr. Orby Hunter, the largest ever submitted to public competition, and the Debden Hall Estate, Essex, the property of Sir Francis Vincent, Bart." Having described the particulars of the Crowland Estate, the paragraph proceeds:—"After a long discussion respecting the conditions, the biddings commenced at two hundred and fifty thousand guineas, and the competition was carried on very spiritedly for nearly half an hour, principally between Sir Thomas Farquhar, Bart., Sir John Dean Paul, Bart., the banker, Hugh Dick, Esq., M.P., and a noble lord, until the sum offered amounted to three hundred and thirty-two thousand guineas, at which sum, after great exertions on the part of the auctioneer to procure a further advance, it was eventually knocked down to Sir John Dean Paul. Mr. Dick bid within one thousand pounds of the sum. The purchaser received the warm congratulations of the noblemen and gentlemen present on his purchase."—[Ed. *Bankers' Magazine*.]

enormous as to necessitate their suspension, and it is therefore apprehended that similar operations have at other periods frittered their resources, so that the position of the whole of the members of the house, it would appear, has been maintained at the expense of their customers. Whatever may be the issue of the inquiry, either at the Central Criminal Court, or at the Court of Bankruptcy, there is little expectation that the creditors will derive much benefit from the joint or the separate estates, the most lamentable estimates being formed of the probable amount of dividend.

The first positive announcement of the failure was on Monday, the 11th of June, the house having been opened during the whole of Saturday, although it is distinctly understood that a statement of accounts prepared on Friday, showed the utter insolvency of the firm. The desperate extremity was consequently resorted to of receiving deposits, and paying cheques for twenty-four hours after the fact was patent to the entire establishment that the doors must be closed. The next immediate step was a petition in bankruptcy, and on Tuesday night the firm figured in the *Gazette*. Both the banking and navy agency business would, with prudent conduct, have realised a large income, for the deposits of many titled personages and wealthy commoners have for years been placed in the house. The aggregate amount of these is not known, but it has been stated that they have in several instances ranged from £15,000 to £50,000, and many losses of magnitude will consequently ensue. The almost total annihilation of assets must produce serious results in some quarters, and the poor as well as the rich will suffer, the navy agency comprising an enormous number of accounts (upwards of 3,000) with small balances, the funds of officers, &c., out on service.

The liabilities of the bank (Messrs. Strahan and Co.) it is feared will exceed £700,000, and those of the navy agency (Messrs. Halford and Co.) nearly half that amount; so that £1,000,000 will be found to be a close approach to their actual indebtedness.\* When the failure was originally mentioned, it was asserted that a dividend of from 4s. to 5s. would be obtained through the realisation of the estates, but it was subsequently rumoured that the amount would not attain 2s., and it is now believed that a fractional, if any payment, will alone be secured. The engagements of the house, apart from their ordinary transactions, have been entailed through Italian and other railway projects, with which they had become associated as contractors, a previous connection having induced them to afford

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\* This statement is modified by the account submitted as an approximate estimate to the Court of Bankruptcy.

the required assistance, but the failure of these adventures will not explain the disposition of the great bulk of property which they have expended. The miserable expedients to which they have been compelled to resort during the last few months of existence is demonstrated by the circulation of their bills in the city, the holders seeking to negotiate them at 7 and 8 per cent, or in fact, on any terms by which the money could be obtained, but in some instances it is asserted they were refused, despite all tempting considerations. This naturally raised general suspicion, but it was scarcely conjectured that the firm was in such a deplorable situation. Although the bank has thus been brought to the ground, the individuals who were concerned with Messrs. Strahan, Paul, and Co. have not yet suspended. Having at present been enabled to meet their liabilities, they are struggling to survive the shock, and some do not hesitate to aver that their endeavours will be successful.

The meeting at the Law Institution has shadowed forth some curious circumstances connected with this unfortunate catastrophe; and, although the explanations offered by the professional adviser of the petitioning creditor were regarded as satisfactory, the frightful condition of the firm was rendered completely apparent. The excuse for keeping the house open on the Saturday, after the "run" on Friday, was that they expected assistance, but where it was to come from the partners cannot explain. They had been refused aid by the Committee of London Bankers, and yet they persevered in keeping open their doors. By this means the estate has been drained of nearly £23,000, the payments to customers during these two days having reached that amount. At so low an ebb was the available cash, that an extent on behalf of the Crown, put in just previously to the arrival of the bankruptcy messenger, cleared away the remaining £2,200, and it was necessary to give, for the purpose of protecting the books from seizure, an undertaking to make up the additional sum of about £800. There is, from what is reported, some expectation of recovering a portion of the balances so withdrawn or reduced, it being alleged that many favourite connections became apprised of the perilous position of the firm. If this can be satisfactorily established, the intervention of the Court will necessitate a restitution of the amounts for the benefit of the general body.

As the investigation proceeds, it transpires that the house has been insolvent for years, and that, at the latest, it ought to have suspended about 1849. Instead, however, of facing their difficulties and dividing the remaining property, the whole of the partners have culpably co-operated to carry on business at the expense of their customers, and have gone so far as to render

themselves liable to a criminal prosecution in achieving their designs. With the knowledge of helpless bankruptcy staring them in the face, they have proceeded for the last six or seven years in receiving the deposits of their friends and connections, which, as soon as they came into their possession, they have converted to their own use—even negotiating the securities intrusted to their care in the responsible character of bankers. In this manner they have dealt with Exchequer Bills—Dutch, Danish, and other ready marketable stocks—through which they have been able to supply the wants of the establishment, when other sources did not avail. Discovery has consequently been postponed until the final break-up of the firm, because the payment of the dividends and interest, with a replacement of the securities, if they were suddenly called for, have prevented any direct apprehension on the part of the interested individuals. The announced confession of the partners that they have appropriated their customers' property, and the proposal to condone the offence by passing their notes of hand for the amount, is a very startling fact.

Although the partners were known to be connected with several public companies, they were not generally supposed to have been very speculative in their character. Sir John Dean Paul was the governor of the Court of Copper Miners in England, an establishment which was placed in a doubtful position by the suspension of Messrs. Bruce, Buxton, and Co., in 1847, and which has since been revived and reorganised. He was also the chairman of the Railway Passengers' Assurance Company, and director in one or two other second-rate public undertakings. Mr. Strahan personally does not seem to have occupied a prominent position in any public undertaking. Mr. Bates has held seats at railway boards, and was lately the chairman of the Namur and Liège line.

It was to have been expected that an attempt would be made to save the remnant of the business of the bank and the navy agency, and accordingly two of the joint-stock banks have opened branches in the locality. The London and Westminster Bank have opened a branch at Temple-bar, transferring to their service, as manager, Mr. Ward, the chief cashier of the old house, and employing several of the clerks. The directors of the Union Bank of London have also taken premises in the neighbourhood, where they have commenced operations. Meanwhile Messrs. Coutts and Co. have obtained a majority of the best accounts, the position of the firm, and its recognised standing, having for the moment caused many to give it a preference. The navy agency is likewise continued by an old *employé*, Mr. J. Tory, through whom future business will be transacted.

The choice of assignees has taken place, and the parties selected



appear to meet the concurrence of the general majority of the creditors. An attempt was made to obtain an adjournment, but the Commissioner, as will be perceived by the report of the bankruptcy proceedings, refused to entertain the application. The debts and liabilities are, according to an estimate furnished, £680,000, and the assets about £160,000 to £170,000. The securities misappropriated represent the large total of £113,000. It was a distressing exhibition to witness the partners verify the truth of the statement respecting their various malversations.

MEETING OF CREDITORS OF MESSRS. STRAHAN, PAUL, AND BATES, AT THE LAW INSTITUTION, ON TUESDAY, THE 19TH OF JUNE.

A meeting of the creditors of Messrs. Strahan, Paul, and Bates, was held at the Law Institution on Tuesday, the 19th of June, to consider the steps to be taken to secure a full investigation of the petition recently opened in bankruptcy. Between fifty and sixty persons were present, nearly the whole of whom were connected with the legal profession, and the chair was occupied by Mr. E. S. Lee. It was explained by Mr. Futvoye, who had adopted the initiative, that a number of the creditors who had suffered largely through the stoppage of this firm were desirous of a thorough inquiry into its affairs, and were consequently prepared to pursue such measures as shall insure that object. Many, he stated, were at first inclined to view the suspension as one of those unfortunate catastrophes which may sometimes occur in business; but, as it appeared from all that could now be ascertained, that the partners had been aware of their position for the last six years, it was necessary to carry out a strict examination. It was, therefore, proposed to watch the proceedings with great vigilance. Mr. Lawrance, who had entered at this stage, intimated that, as the representative of the petitioning creditor, he was most ready to state the course that had already been pursued and would continue to be pursued for the benefit of the creditors, and to insure the legal distribution of the assets. Observations had been made on the manner in which the petition in bankruptcy had been adjudicated, and the effect of friendly influence in relation to it; but he thought he should be able to show that the step had been taken with a desire to protect the estate against extents from the Crown and other claims which interfered with the interests of the general creditors. Having been called in and consulted, without possessing the slightest previous knowledge of Mr. Strahan or Sir J. D. Paul, and having only a partial acquaintance through one professional transaction with Mr. Bates, he had given the best advice in his power; and the result was that, acting for the petitioning creditor, he had recommended the course in question. This had occurred after the house had been injudiciously kept open up to the Saturday, the plea of the partners being that they expected assistance. Through the run on the Friday and Saturday the funds of the establishment had been diminished between £22,000 and £24,000; and, notwithstanding their promptitude with the petition, the sheriff's officer entered on behalf of the Crown and secured £2,000, the remainder of the available cash, besides which it was necessary to give him an undertaking to pay £700 or £800 additional, to prevent him seizing the books and closing the premises altogether. An important question would arise as to the source of the hints which induced many to withdraw or reduce their balances, and if it could be clearly proved that any intimation had been given the Court would interpose its power and order restitution. With regard to the choice of assignees, it was proposed to name Mr. Barwis, an accountant and navy agent, and Mr. Montagu Tatham, a proctor, and if the creditors present thought fit to select

a third there would be little difficulty. An objection was made to the latter gentleman, not from any doubt of his integrity, but from the fear that he might not proceed energetically, owing to his connection with Sir J. D. Paul. It was said Mr. Lee and Mr. Appleyard, as being creditors and representing large claims, would be the proper parties. With reference to the non-appointment of persons likely to be influenced by family ties, Mr. Lawrance mentioned that Mr. W. Spottiswoode had been at first requested to act, but that, when it was intimated that his relationship to Mr. Strahan might be raised as an objection, he at once withdrew. After a long consultation, in which the deplorable condition of the estate and the heavy sums for which certain contractors stand indebted to the firm, were alluded to, it was agreed to support the choice of assignees proposed, adding the name of Mr. Appleyard, of Lincoln's-inn; the explanation afforded by Mr. Lawrance being considered satisfactory. It was stated that there is scarcely a tradesman among the debtors under the estate, the legal profession, through themselves or their clients, being the principal sufferers. The two firms of Messrs. Strahan, Paul, and Co., and Messrs. Halford and Co., are identical, but the opinion is that the latter will, as far as its separate position is concerned, be found in a much better position than the former. Some French railway concessions may, it is thought, produce an addition to the assets.

THE CRIMINAL CHARGE AGAINST MESSRS. STRAHAN, PAUL AND CO.

ON Tuesday afternoon, the 19th ult., an application was made to the sitting magistrate at Bow-street, for a warrant for the apprehension of Mr. Strahan, Sir J. D. Paul, and Mr. Bates, on a charge of having unlawfully negotiated, or otherwise disposed of, certain deeds or securities of the value of £22,000, which had been intrusted to them for safe keeping by the Rev. Dr. Griffiths, of Rochester.

The proceedings were taken under the 7th and 8th Geo. IV., chap. 29, sec. 49, which is to the effect that any person convicted of unlawfully disposing of securities is liable, according to the words of the act, "to be transported beyond the seas for any term not exceeding 14 years, nor less than seven years, or to be imprisoned for any term not exceeding three years, and, if a male, to be once, twice, or thrice publicly or privately whipped (if the court should think fit) in addition to such imprisonment."

The warrants were at once placed in the hands of the warrant officers attached to the court, who at once proceeded to execute them. Mr. Bates was apprehended the same evening, at 41, Norfolk-street, Strand, after which the officers started by the Brighton Railway for Nutfield, near Riegate, the country residence of Sir J. D. Paul. They found Sir John at home, but, it being too late to return to London the same night, they allowed their prisoner to go to bed, and arranged to accompany him to London by an early train the next morning. Accordingly, they conducted the prisoner, on Wednesday morning, to the Riegate station, arriving at the latter barely in time to save the train, which was actually in motion when Sir John took his seat in a second class carriage. The officers were in the act of following him into the same carriage, when a railway porter pulled them back, exclaiming, "The train is in motion, and you can't get in;" and having closed the carriage door against the officers, the train went off without them. They immediately represented the facts to the superintendent, but he refused to "signal" the train to stop, although consenting to send a telegraphic message to the London station. This was done, and the officers proceeded to town by the next train, which reached London-bridge only 10 minutes after the one they had missed. On inquiry, however, of the station-master at London-bridge if their prisoner had been detained, he replied

that he did not know Sir John Paul by sight, and, of course, therefore, had taken no steps in the matter. The officers had thus the mortification of finding that their prisoner had effectually escaped, and, throughout the day, no trace of him could be found. At 8 o'clock the following night, however, Sir John surrendered himself at Bow-street police station, intimating, at the same time, that he had no wish or intention to deceive the officers, and that his impression, when he entered the train was, that they were following in an adjoining carriage.

Mr. Strahan was taken into custody on Wednesday evening, 20th of June, as he was about to enter the house of his friend, Mr. Scrivener, 20, Bryanstone-square.

On Wednesday Mr. Bates underwent a brief examination at Bow-street, before Mr. Jardine, and on Thursday a similar proceeding took place with regard to Mr. Strahan, but on each occasion, only sufficient evidence was adduced to justify a remand.

On Friday the case was more fully gone into, and, on being placed at the bar, the prisoners gave their names—William Strahan, aged 47. Sir John Dean Paul, aged 52, and Robert Makin Bates, aged 64. The prosecution was conducted by Mr. Bodkin. Mr. Ballantine attended on behalf of Mr. Strahan, and Sir John Paul, and Mr. Parry for Mr. Bates. In laying the case before Mr. Jardine, the presiding magistrate, Mr. Bodkin said—Perhaps, sir, a more distressing spectacle was never exhibited before you than that which is presented by the appearance of the three prisoners now standing at the bar of this court—not prisoners such as are usually seen in that position, but gentlemen, hitherto standing high in the estimation of those who knew them, enjoying the luxury which rank and wealth afford, and the unlimited confidence of those whose fortunes have been entrusted to their keeping. That confidence, it has recently transpired, has been so cruelly betrayed, and the conduct of the prisoners themselves has been of such a nature, as to reduce them to the level of common felons; for, although the offence of which they stand accused is not actually a felony in the eye of the law, it is nevertheless so serious as to render them liable to transportation for a period of 14 years. Indeed, were it otherwise—if occurrences of this character were not visited with the greatest severity of punishment—the consequences to society would be alarming to contemplate. In the present case I have the honour of representing one of the sufferers from the conduct which I have described, and I am not here to complain of any mere deficiency arising in an ordinary banking account, but to show that these persons, having been entrusted with bonds and securities of the value of £22,000 by my client, did, about five or six weeks ago, fraudulently, if not feloniously, appropriate these securities to their own use, without the knowledge or sanction of that gentleman. It certainly does happen that the individual for whom I appear is fortunately placed in such circumstances that this heavy loss will not leave him a ruined man. Happily it has not, as, in too many other cases it has, deprived him of the means of prosecuting these persons for the wrong inflicted upon him, in common with many who have been utterly ruined by similar acts of fraud. Dr. Griffiths considers it his duty to do that which many of his fellow-sufferers are unable to do—namely, to bring these culprits to the bar of a court of justice, to answer for the violation of a trust which confidence in their honour and integrity as gentlemen had induced him to believe would be held sacred, whatever may have been the pecuniary circumstances of their bank. He has been advised, and his own private opinions accord with the advice, to proceed against the prisoners without any reservation; and, having satisfied himself that this is the proper course to pursue, after mature deliberation, he is determined that nothing shall prevail on him to swerve from that resolu-

tion. You are aware, sir, that the three defendants at the bar are charged in your warrant with having, conjointly, disposed of certain securities to a large amount, by which means my client has been defrauded of his property. The learned counsel said he should, on that occasion, only examine Dr. Griffiths, and then ask for a remand for the production of further evidence. He should prove that the securities in question, with others to the amount £100,000, had been taken either to the house of Overend, Gurney, and Co., or some other house in the City, and the proceeds appropriated by the prisoners.

The evidence of Dr. Griffiths, who is a prebendary of Rochester Cathedral, was to the following effect:—"I have kept an account at the bank of Strahan and Co. for about thirty years, and have, from time to time, intrusted them with securities of various kinds. On the 9th of June, 1849, they purchased for me 30,000 Dutch florins (2½ per cents.), making, with others, 150,000, which they were directed to take care of for me; but I never authorised the prisoners, or either of them, to sell, pledge, or negotiate them in any way whatever. On the day Mr. Bates was taken into custody, and while the other warrants were still in the hands of the officers, Mr. Strahan waited upon me and requested an interview. Some friends and relatives of Mr. Strahan's had previously called upon me with the same view. Mr. Strahan began by expressing his surprise that I had been unable to obtain any information at the bank respecting my securities, for he and his partners were there ready to give me every information in their power. He said that they were day and night engaged in making up their accounts, and that if I took legal proceedings against them, there would be no one competent to wind up their affairs. He admitted that I was quite justified in the course I had taken, but he urged repeatedly that I was doing a great injury to the creditors and to myself, for he had great expectations that both he and Sir J. Paul would, bye-and-bye, have money sufficient at their command to redeem my securities; and that they had prepared notes of hand for me, had I called upon them. He further told me, in answer to my inquiries, that my securities, with others, had been taken by Sir John Paul, and placed in the hands either of "Overend" or "Burnand"—I forget which name was actually stated. In fact, as I understood him, Mr. Strahan said he had himself taken the securities out of the parcel in which they were contained, and handed them to Sir John Paul, who carried them to the brokers in the City. He also stated that the various securities which they had disposed of in this way amounted to £100,000 in value; but that my securities were by far the largest in amount belonging to any one individual. He stated that much kindness had been shown him by several persons who were placed in similar circumstances to myself, and therefore he hoped I would not continue these proceedings, which, without benefiting myself, would be detrimental to the interests of the public. He added that he knew the officers were in search of him and his partner, and if they were put into prison it would be impossible to bring their affairs to a close. In reply to this, I stated that I was very unwilling to say anything that would aggravate his feelings, and I assured him that I was not actuated by any vindictive motive towards himself or either of his unhappy partners; but that I felt bound, on public grounds, to proceed in the course I had adopted. I asked him particularly whether the securities had been kept in my box. I had a box at the bank, a key of which was in my possession, and another key in theirs. He said they were not kept in my box; that they were deposited in a box in their strong room, and had my name affixed, to show that they belonged to me. I have caused inquiries to be made, and have been unable to discover any trace of them up to the present time.

Mr. Ballantine said—I do not propose to address any observations to-day,

upon the present evidence. I am not surprised at the intensity of the public feeling which has been excited by these transactions, and it scarcely required the severe remarks with which Mr. Bodkin thought fit to open this inquiry to add to the misery which these gentlemen feel in their present lamentable position; misery which was shared still more deeply, because more innocently, by the relatives and friends who were connected with them. I am not aware that I can say anything to palliate that feeling on this occasion, but I think I shall not be exceeding my duty here to-day when I state that, however deplorable may be the affairs of this bank, and however numerous the sufferers, the ruinous consequences can fall with no greater weight on any one than upon Mr. Strahan himself, who brought £180,000 into the concern, every farthing of which has been lost. I am justified, I believe, in saying that the partners have each and all evinced a common desire to meet the case fully and fairly, sharing the responsibility alike, and making what atonement they can for the misfortunes they have inflicted on others, by giving every information in their power which may lead to a full and truthful disclosure of their affairs, regardless of the consequences to themselves, and the public censure, which they are only too conscious of having deserved.

The prisoners were then remanded, and as no application was made to admit them to bail, they were removed to the House of Detention.\*

IN THE BANKRUPTCY OF STRAHAN, PAUL, AND CO.

*Court of Bankruptcy, June 25.—(Before the SENIOR COMMISSIONER.)*

THIS was a meeting for the choice of assignees in the matter of William Strahan, Sir John Dean Paul, Bart., and Robert Makin Bates, who carried on business as bankers at 217, Strand, and also the business of navy agents at 41, Norfolk-street, Strand, under the style of Halford and Co. The petition was filed on the 11th June. The petitioning creditor is Montagu John Tatham, proctor, of 26, Great Carter-lane, who is creditor for £1,594, in respect of the balance of the account of moneys had and received by the bankrupts, as bankers, and in regard to which no security or satisfaction has been given.

There are criminal proceedings pending against the bankrupts, under the 7th and 8th Geo. IV., cap. 29, sec. 49, by which any person convicted of unlawfully disposing of securities is liable to be transported beyond the seas for any term not exceeding fourteen nor less than seven years, or to be imprisoned for any term not exceeding three years.

The court was crowded to excess. The business was commenced by Mr. Lawrance, solicitor to the petition, who stated that for the sake of convenience sundry proofs of debt had been taken out of court, and passed by the official assignee.

The Commissioner (Evans) directed that the names of those creditors who had so proved their debts out of court should now be publicly read aloud, so that it might be ascertained if there was any opposition to them.

It was arranged, in order to mitigate the pressure in this court, which was excessive, that a registrar, Mr. Abrahall, should take proofs in Mr. Commissioner Goulburn's court.

Mr. Parry appeared for the bankrupt Bates, Mr. Ballantine for Sir John Dean Paul and Mr. Strahan, Mr. Chidley for the Marquis of Clanricarde, Lord Galway, and other creditors, whose claims amount in the aggregate to £250,000. Messrs. Lawrance, Plews, and Boyer are solicitors to the petition. Mr. Linklater appeared for Sir Lucius Curtis and others.

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\* Another remand took place on Wednesday, the 27th of June, to Wednesday, the 4th of July, no evidence being entered into.

Mr. Lawrance said, as a great many of the creditors were present, it might be satisfactory to them to learn the figures which were an approximation, at least, to the correct sums. The following is an exact copy of Mr. Lawrance's statement:—

Total of creditors unsecured	...	...	...	...	£502,372	3	4
Add Earl Fitzwilliam's balance of Dr. and							
Cr. account	...	...	...	...	£1,454	5	0
Sir J. D. Paul	...	...	...	...	1,288	15	6
						2,743	0 6
						£505,115	3 10

Deduct Sir J. D. Paul—

Separate account, £72,250; of this,							
£27,000 loan, and £10,000 ditto	...	...	...	...	£37,000	0	0
Namur and Liège Railway	...	...	...	...	4,910	8	3
Offley Extent.	...	...	...	...	2,787	16	2
						44,698	4 5
A Cr. account raised on securities	...	...	...	...	113,000	0	0
Cr. of Halford and Co.	...	...	...	...	26,522	0	0
Liabilities, value received	...	...	...	...	68,220	0	0
Ditto, no value...	...	...	...	...	23,103	10	0
						£680,658	19 3

ASSETS.

Debtors on loans considered good, say	...	...	...	...	£100,000	0	0
Ditto on overdrawn accounts	...	...	...	...	20,000	0	0
Surplus on Strahan's separate estate	...	...	...	...	5,000	0	0
Debtors, bad and doubtful, not carried out	...	...	...	...	£276,446	17	0
Halford and Co., Dr. Bal.	...	...	...	...	19,009	5	0
Bad and doubtful, not carried out	...	...	...	...	119,902	0	0
Sundry bad debts	...	...	...	...	31,440	0	0
Sundry debts secured							
By policies of insurance	...	...	...	...	4,300		
					9,000		
					6,000		
					19,300		
Say value	...	...	...	...	13,300	0	0
						6,000	0 0
					460,098	12	2
Bills discounted, supposed good	...	...	...	...	9,000	0	0
Sundry shares and securities at bankers, say	...	...	...	...	5,000	0	0
Debts due to Halford and Co., say	...	...	...	...	35,000	0	0
						180,000	0 0
General debts	...	...	...	...	640,098	12	2
Liability for which no value received	...	...	...	...	12,500	0	0
					£652,598	12	2

Thus, continued Mr. Lawrance, it would appear that the gross amount of debts against the firm were £680,000; that was quite irrespective, either of

any deficiency which might be found in the security held by creditors, and irrespective of any surplus that may come from these securities. The assets were, as nearly as possible:—Debtors on loans £100,000; ditto amount due on overdrawn accounts, £20,000; bad and doubtful debts not carried out, £276,446 17s.; Halford and Co., £19,009 (which was not an asset); and bad debts, £31,400. These items were rather as a matter of account, for of course as assets much would depend on realisation. With respect to Halford and Co., he might state that the accounts kept at that house were principally kept by a class of persons who were in the habit of drawing in anticipation of their claims. They expected from Halford and Co. about £20,000 upon overdrawn accounts; and inasmuch as the debts of Halford and Co. would all be proved against the estate, and the same partners constituted both firms, that £20,000 would be an addition to the sums already given. The firm of Halford and Co., if it stood alone, would be solvent with a surplus, inasmuch as the debts recoverable against that estate were less than the assets by the sum of £20,000. Of course, by the fact that the same men were in both firms, it was really one common account. There were bills discounted, supposed to be good, in the hands of the official assignee, £9,000; sundry shares and securities in the banking house, estimated at £5,000; surplus on Mr. Strahan's separate estate, £5,000. If all the separate debts of Mr. Strahan were paid in full, there would be a surplus for the joint estate of £5,000. The above figures, were, of course, liable to displacement on subsequent investigation. The assets would be about—speaking in round numbers, and judging from present appearances—£160,000 or £170,000, without reference to the large sums advanced on foreign railroads, and which would represent an item of £276,000.

The official assignee—So I have guessed, but I cannot speak positively.

Mr. Cooper said he appeared for several noblemen and gentlemen who had proved their debts against this estate, and as the case was one of no ordinary character, he hoped the court would direct a full and searching investigation. Several of the creditors were owed more than the sums which appeared, as they could not discover that until the accounts of the bankrupts had been examined, and the bankrupts themselves, to see what security had been disposed of by them unknown to their customers. He had to ask the court, on behalf of those creditors, and for the convenience of the estate at large, to adjourn the choice of assignees to some future day, and to let the present sitting be devoted to the reception of proofs, as far as they went, and the examination, if necessary, of the bankrupts. This step was the more necessary, because there would be a severe contest as to what gentlemen should be appointed assignees, and by adjournment that contest might be got rid of. Another reason for adjourning the meeting was, because, on looking through the proceedings, it would be found there were many affidavits which had been taken at the private houses of individuals, some of whom had executed proxies, giving certain persons the right to vote on their behalf that day. It might turn out to be right and prudent that that should be done, or it might turn out that those persons who had made affidavits to an itinerant commissioner were not quite aware that they had the opportunity of proving and voting in person for the choice of assignees. No inconvenience could arise to the estate from an adjournment, as practically the duties of the assignees would be discharged by the official assignee until trade assignees were appointed, and any perishable goods might be sold by special order of the court. This room and the next room were thronged with creditors, and most likely many of those who proved would go away without voting. Looking at the grave charges against the bankrupts—whether founded or unfounded, he would not venture to say—they were, at all

events, charges which involved the necessity of a full investigation. Those charges might involve some of the creditors who had now proved, and, until the examination of the bankrupts, it could not be said that the proofs were without objection, and that the creditors were entitled to vote for the choice.

Mr. Lawrance did not know whether he need occupy the court in answering such very vague and shadowy statements as had been made by Mr. Cooper, without mentioning the name of one of the creditors for whom he appeared.

Mr. Cooper said he represented the Duke of Rutland, Lord John Manners, Lord Charles Manners, and others.

Commissioner—I do not see the least reason for the adjournment.

Mr. Parry—I appear here for one of the bankrupts, Mr. Bates; and he is extremely anxious—as I believe are the other two bankrupts—to disclose, for the benefit of the estate, certain transactions which have taken place in reference to securities deposited with the bankrupts by various creditors who are proving their debts here to-day. There is no doubt the conduct of the bankrupts will be discussed very elaborately, and at great length, before your Honour, and you will have to decide upon it; but I simply now present Mr. Bates here, and ask permission to examine him upon certain transactions, believing that the disclosures which he will make will be very beneficial to the creditors. In reference to what has been said as to some of the creditors not knowing what has become of their securities, Mr. Bates has prepared the following perfect statement of every security, of whatever kind—whether Exchequer-bills, shares, or whatever other kind of security—upon which money has been raised; and this I am anxious to place before the Court. He is anxious to take this the first opportunity to place this before the Court, and to deposit it in the hands of the official assignee.

Commissioner—Has he given it to the official assignee?

Mr. Bell—No.

Mr. Parry—I now hand it in.

The following is the account referred to:—

LIST OF PARTIES WHOSE SECURITIES ARE SOLD.

500	Exchequer-bills	...	...	...	Lady Carnarvon.
500	"	...	...	...	Admiral Aylmer—H. and Co.
800	"	...	...	...	Captain Frederick—H. and Co.
100	"	...	...	...	Duke of Rutland—Militia acct.
500	"	...	...	...	Tollemache and Collett.
300	"	...	...	...	Lord Manners—Admr.
5,000	"	...	...	...	Wigsell, A. D.
2,800	"	...	...	...	Strahan and Co.
10,500	"				
12,000	Brazilian $\frac{1}{2}$	...	...	...	Charles A. Caldwell.
7,200	Brazilian 5	...	...	...	Mrs. Weir.
600	"	...	...	...	Mrs. Hare.
2,400	"	...	...	...	John Tregonwell.
2,500	"	...	...	...	Mrs. L. Herbert.
12,700	"				
200	...	...	...	...	Mrs. Yatman.



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10,400	India Bonds	...	...	R. K. Nevill.
300	"	...	...	Mrs. Strickland.
3,000	"	...	...	W. C. Morland.
1,900	"	...	...	Sir A. Clifford.
<hr/>				
15,800	"			
<hr/>				
6,000	Canada 5 per cent.	...	...	Wynn, Tyler, Brown, and Kirwan.
10,000	Danish 3 per cent.	...	...	Dr. Griffiths.
5,000	" 5 per cent.	...	...	Dr. Griffiths.
<hr/>				
150,000fl.	Dutch 2½ per cent.	...	...	Dr. Griffiths.
34,000	" "	...	...	Amelia Bailward.
42,000	" "	...	...	E. S. Bailward.
34,000	" "	...	...	Julia Bailward.
39,000	" "	...	...	Miss Churchill.
36,000	" "	...	...	Sir A. Clifford.
11,000	" "	...	...	G. S. Gough.
30,000	" "	...	...	R. H. B. Hale.
7,000	" "	...	...	— Dalton.
45,000	" "	...	...	— Burton, Halford, and Co.
106,000	" "	...	...	Captain Jones—ditto.
9,000	" "	...	...	Morris—ditto.
28,000	" "	...	...	— Heringham—ditto.
19,000	" "	...	...	— Bailey—ditto.
66,000	" "	...	...	— Heppear—Trustee.
19,000	" "	...	...	Miss Reynolds.
24,000	" "	...	...	E. Sawbridge.
57,000	" "	...	...	Mrs. J. Streatfield—Trustee.
40,000	" "	...	...	Mrs. J. Streatfield.
50,000	" "	...	...	John Tregonwell.
12,000	" "	...	...	George Willes.
<hr/>				
868,000fl.	" "			
<hr/>				
88,000fl.	Dutch 3½ per cent.	...	...	Madame de Charritte.
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20,000fl.	Dutch 4 per cent.	...	...	Colonel Peacocke.
13,000	" "	...	...	*Mrs. Boyd.
12,000	" "	...	...	Miss H. A. Meyrick.
6,000	" "	...	...	Admiral Aylmer.
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51,000fl.	" "			
1,000*	" "	...	...	Deduct, Miss E. Boyd, remain-
				ing in box.
<hr/>				
50,000fl.	" "			

LIST OF SECURITIES SOLD OR DEPOSITED.

		£	s.
588,000 fl. Dutch 2½.....	Peppercorn	28,000	0
14,500 India Bonds .....	"	14,500	0
10,500 Exchequer Bills (March)	"	10,500	0
120,000 Dutch 2½.....	Sold	6,137	10
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Carried forward ...	...	£59,137	10

Brought forward ... ..		£59,137 10
10,000 Danish 3.....	Sold .....	£7,847 20
150,000 Dutch 2½.....	} Overend, Gurney, and Co., }	27,000 0
88,000 Dutch 3½.....		
50,000 Dutch 4 .....		
6,000 Canada Bonds .....		
5,000 Danish 5 .....		
2,700 Brazilian 5.....	} Burdand & Co.	20,000 0
12,000 Brazilian 4½ .....		
10,000 Brazilian 5.....		
1,300 India Bonds .....	Sold .....	
		£113,625 0

Mr. Ballantine—The three bankrupts are prepared to swear to it.

Commissioner—Are there any more proofs? If so, let them be disposed of first.

Mr. Lawrance stated that the following gentlemen were proposed to act as trade assignees:—Mr. Barwis, navy agent, New Boswell-court; Mr. Charles Appleyard, solicitor, of Lincoln's-inn; and Mr. Edmund Waller, stationer, Fleet-street.

These gentleman were afterwards appointed, no other creditors having been proposed in opposition to them.

Mr. Lawrance said the object they had in view, having regard to the vast number of creditors and the indisposition of many of them to come into court, was to afford them all the facility in their power; and, accordingly, an advertisement was put in the papers, telling the creditors that they might have their proofs prepared at his office, if they chose, and many of them had taken advantage of that offer.

The Commissioner—That is only the usual course.

Mr. Lawrance—Powers of attorney were also forwarded to each creditor living in the country. The result was, that some powers of attorney had been forwarded to them, but a great many noblemen and gentlemen had authorised their own solicitors to vote for them. The charge of employing an itinerant commissioner was simply untrue. With respect to the examination of the bankrupts, that was entirely in the hands of the Court.

Commissioner—We will wait until the “choice” is disposed of, and then see whether the examination of the bankrupts is necessary.

After the proofs had been completed, Mr. Parry said—I now propose to examine Mr. Bates.

Commissioner—I see no reason for it now; he has given in his papers, and they must be examined by the official assignee before the bankrupt is examined.

Mr. Parry—Mr. Bates is very desirous of giving those explanations now, because he thinks they will be satisfactory to the creditors. I hope your Honour will allow him to be examined now.

Commissioner—I do not understand what right the bankrupt has to come and ask to be examined. I never heard of such an application. The bankrupt with have the opportunity of being examined at the proper time.

Mr. Parry—If the application is perfectly unheard of, I am sorry I made it, but a future examination may not be so advantageous to the bankrupt as a present one.

Commissioner—At the present time an examination might be very mischievous. Can you show me any authority for this unusual course?

Mr. Parry—At all events, the bankrupt may be allowed to make a statement.

Commissioner—Well, wait until the other business is concluded.

At a later period.

Mr. Parry renewed his application for Mr. Bates to be examined, and said his client was anxious to disclose everything he knew as to these securities.

Commissioner—I do not see any reason for it.

Mr. Parry—Do you see any reason against it?

Commissioner—Yes, I do. I refuse your application. If any creditor applies that the bankrupt be examined, he may do so; but on the bankrupt's own application I refuse it.

Mr. Parry—I formally tender this as the declaration of the bankrupts, and your Honour can accept it or not.

Commissioner—Let them put in what they like, and sign it.

This was done.

Commissioner—Any creditor who wishes can have a copy of this by applying to the official assignee.

Mr. Parry (to Mr. Lawrance)—Do you wish to ask the bankrupts any questions?

Mr. Lawrance—I do not know that I do.

Mr. Lawrance (to Mr. Bates)—Have you signed that statement?

Mr. Bates—I have.

Mr. Lawrance—By whom has it been prepared?

Mr. Parry—By the three bankrupts jointly. It was prepared by Mr. Bates, and signed by him, Sir J. D. Paul, and Mr. Strahan.

Mr. Lawrance—(to the other bankrupts)—You have heard that declaration read over, and have signed it?

The bankrupts severally answered in the affirmative.

Mr. Lawrance—Is that a full account of all the securities which have been sold, dealt with, or pledged by you?

The bankrupts severally replied in the affirmative.

Mr. Lawrance—Which we understand to have been the property of your customers?

Mr. Bates—Yes.

The question was repeated to Mr. Strahan.

Mr. Strahan—Yes, it does.

Mr. Lawrance (to Sir J. D. Paul)—That account has been handed in by your counsel. Was it prepared with your knowledge?

Sir J. Paul—Yes.

Mr. Lawrance—Does it contain an account of all the securities sold, pledged, or dealt with in any manner by you?

Sir J. Paul—A faithful account.

Mr. Lawrance—I presume that account is not made out from memory, but that the entries in your books will substantiate it?

Sir J. Paul—Yes, they will.

Mr. Lawrance—Has the official assignee the means of verifying the statement now handed in?

Sir John Paul—I believe he has. The entries will be found in a private ledger.

Mr. Lawrance—Then, it may be assumed, for the satisfaction of other creditors who have securities at your bank, that all the other securities are safe except those contained in that list.

Mr. Bates—Yes, quite so.

Mr. Turquand, of Old Jewry-chambers, is accountant to the estate.

Amongst the creditors are Lord Palmerston, the Duke of Devonshire, Earl of Carnarvon, Viscountess Melbourne, Earl of Dysart, Sir A. Ashton, Sir C. Coote, Sir Charles Goring, Lord Lisburne, Wadham College (Oxford), Lord Cavendish, St. Clement Danes Lighting Committee, Earl of Burlington, William Spottiswoode (Queen's printer), the Duke of Rutland, Lord J. R. Manners, Lord Charles Manners, Lord Galway, Lord Aylmer, Christ

Church College, S. A. Oliphant, Countess of Craven, Countess of Verulam, Marquis of Clanricarde, Sir Lucius Curtis, Lieut.-General Thomson, Lord Muncester, Hon. Caroline Pennington, Lieut.-General Buller, Sir R. Anslie, Lady Manners, Lord Manners, W. Cavendish, Earl of Bradford, Sir B. Macnamara.

The three bankrupts, who were brought up on the Commissioner's warrant, were, at the end of the proceedings, taken back to the House of Detention.

The amount of debts proved was upwards of £100,000.

It may be as well to state, that the above names of creditors were read over in public court.

#### INSPECTION OF SECURITIES AT BANKERS.

THE suggestion in the *Times*, of the 25th June, that the private bankers should facilitate and invite periodical examinations of the securities deposited with them, has been instantly responded to by Messrs. Glyn, Robarts, Barnetts, and several other of the leading London houses, and the following notice will henceforth be affixed in the pass-books of all their customers :—

Messrs. ——— respectfully request their friends, from time to time, to do them the favour of examining the securities deposited with them for safe custody.

The bankers generally look upon the plan as affording protection to themselves equally with their customers, and are understood to be unanimous in their desire for the practice of it, the only difference of opinion being apparently as to the mode in which the intimation to that effect should be conveyed. On the 26th, a meeting was held at the clearing-house, when the following resolution was adopted by the entire body :—

That a paragraph having appeared in the *Times* newspaper, declaring that it would be thought improper if any one demanded from his bankers the examination of securities deposited with them for safe custody, the bankers of the City are *unanimously* of opinion that the contrary is the case, and that they should consider such examination as a most proper and businesslike proceeding.

#### THE COMMERCE AND FINANCE OF AUSTRALIA.

##### No. I.

THE influence of Australia upon the commerce of the United Kingdom has, since the discovery of gold, been important not only from the sudden fluctuations it has occasioned, but from the temporary embarrassment to a large proportion of the mercantile interest. There was something romantic about the expansion of commerce for the first few years after the repeal of the corn laws, and many erroneously believed that there were to be no bounds to its increase; that new markets would be continually opening for enterprise and capital; that

the exports and imports would swell by millions in the year, until England became, not merely the *dépôt* for the commerce of the greater portion of the world, but that it would necessarily monopolise, with giant strength, most of the skill and manufactures, and would command the raw products of every tropic and the staples of every country. Unquestionably the effects of free trade have been very great; and, viewing the struggle through which the country passed to secure that inestimable blessing, no doubt can be entertained that all the benefits promised have been secured; that the measure has exercised a salutary influence upon the position and prospects of the country, and that there is a vigour and an elasticity about our commercial relations with the world at large not previously enjoyed, and which cannot be too highly appreciated. The new discoveries of gold, directly following the introduction of free trade, were however very instrumental in the great expansion of commerce, so that there were proximate, over and above the immediate causes, tending to the energies of the trading community being strained to the uttermost—the producing power, being worked upon “high pressure,” and the evidences of their skill in arts and manufactures being distributed over the world in unusual profusion and unheard of prodigality.

Who is there in trade that can forget the wildness of these times? Mining adventures, joint-stock bubbles, and railway schemes have had their worshippers; but the golden dreams connected with Australia have spread everywhere through the length and breadth of the land. The fine grains of gold, and then the nuggets have in their turn exercised a potent influence, and where the first only produced a feeling of curiosity, the second aroused and stimulated an insatiable thirst for wealth, which has been the means of encouraging a larger emigration than this country ever before witnessed. Towns and villages have alike contributed to the exodus of our population, and as fresh news of the increased production of gold arrived, the stream of emigration enlarged, until almost every family—certainly every circle of friends—could claim one or more of its members connected with the colonies, and, as they thought, the future possessor of a fortune which should rival that of an Indian nabob. Nothing was more natural than that such an emigration should attract the attention of the mercantile classes, whose enterprise is always on the alert for the employment of their capital; and although it is perhaps too much to say that, had the exports been confined to them, no disorders or heavy reverses would have been the consequence, it is nevertheless obvious that they were only pursuing their legitimate speculations in supplying Australia with the comforts and necessities of life, and would certainly have soon found the means of regulating their shipments with more prudence and discretion than ultimately proved to be the case. The fact is, the shipping of goods to Australia became a mania for the time as great as the emigration itself, and no matter what article, good or bad, in quantities limited or unlimited; no matter whether wanted or already there, or whether the person knew what he was about or not; nearly every one in business thought it a fair and reasonable speculation to

enter into this new field for British manufactures, so as to secure some of those extravagant prizes by which his cupidity had been excited.

The increase in the exports to Australia was doubtless largely justified by the extended wealth of the colonies; but it is clear there was an expansion beyond the actual wants of the settlers—that no abundance of riches creates a demand for the essentials of life beyond a certain ratio, and that after these wants are satisfied, capital is invested in order to reproduce itself. The following figures, taken in conjunction with the commercial failures arising out of the Australian affairs, prove the over-trading; but it will be remembered that these figures only represent the value of British produce and manufactures, without showing the exports from other ports, or the principal articles not included in the term “manufactures,” such as tea, wines, spirits, tobacco, &c.:—

COLONY.	1861.	1862.	1863.
Victoria ... ..	£604,403	£1,615,135	£7,056,334
New South Wales ... ..	1,201,261	1,632,137	4,527,083
Van Diemen's Land ... ..	420,922	493,772	1,408,927
South Australia ... ..	375,035	276,545	1,182,455
New Zealand ... ..	171,009	148,969	230,816
West Australia ... ..	34,726	55,647	100,917
TOTALS ... ..	2,807,356	4,222,205	14,506,532

The aggregate of goods into the colonies during 1863 must necessarily have been much beyond even the total stated, because, from the ports of Germany, America, and India, a very extensive trade was conducted; and indeed, it is an interesting study to observe how largely every civilised country has been affected by the wonderful increase of the precious metals, and how the discovery of such wealth has operated upon almost every trade and branch of industry.

In the colonies of Australia, it might have been supposed that the full knowledge of the extent of this over-trading would have enabled the settlers to have escaped from the inevitable consequences which follow from such proceedings. Undoubtedly those who have watched the progress of commercial cycles, and know that wild speculation is not the precursor of wealth but of bankruptcy, were forearmed; but even these, by the suddenness of the transitions incidental to new countries, were overtaken, and often had their superior wisdom turned to nought, or the fortunes they had made, dissipated by a business they could neither control nor regulate. The banking statistics of the colonies have given remarkable evidence of the extent of accommodation to the mercantile interests, particularly in Victoria, and they still present some important features in connection with the trading and monetary interest. The following tables give the average liabilities and assets to the end of 1864, for the three most important colonies, viz., (I.) New South Wales; (II.) Victoria; and (III.) South Australia.

**(I.)—LIABILITIES.**

Banks.	Notes in Circulation.	Bills in Circulation.	Balances due to other Banks.	Deposits.	Total.
New South Wales ...	£670,689	£8,133	£174,381	£2,064,292	£2,917,495
Commercial .....	207,872	115	3,182	938,973	1,150,142
Australasia.....	146,949	9,905	—	819,130	975,984
Union of Australia...	187,947	13,526	57	777,746	979,276
Australian Joint-Stock .....	109,367	11,167	25,620	259,107	405,261
London Chartered of Australia.....	27,036	416	—	62,412	89,864
English, Scottish, and Australian Chartered .....	41,334	—	—	83,007	124,341
<b>TOTALS.....</b>	<b>1,391,194</b>	<b>43,262</b>	<b>203,240</b>	<b>5,004,667</b>	<b>6,642,363</b>

**(I.)—ASSETS.**

Banks.	Coin and Bullion.	Landed Property.	Balances due from other Banks.	Debts due to the Banks.	Total.
New South Wales ...	£766,464	£53,462	£435,285	£2,218,392	£3,473,603
Commercial .....	319,724	25,521	196,867	859,093	1,401,205
Australasia.....	277,966	14,905	—	812,823	1,105,694
Union of Australia...	244,178	13,732	314	637,338	895,562
Australian Joint-Stock .....	100,591	14,936	23,665	477,021	616,213
London Chartered of Australia.....	52,855	21,874	—	100,918	175,647
English, Scottish, and Australian Chartered .....	54,809	2,500	17,923	179,687	254,919
<b>TOTALS.....</b>	<b>1,816,587</b>	<b>146,930</b>	<b>674,054</b>	<b>5,265,272</b>	<b>7,922,843</b>

**(II.)—LIABILITIES.**

Banks.	Notes in Circulation.	Bills in Circulation.	Balances due to other Banks.	Deposits.	Total.
Bank of Australasia	£910,617	£20,410	—	£1,803,146	£2,734,1'
Union Bank of Australia .....	246,339	23,994	£263	1,371,344	1,641,9
Bank of Victoria .....	482,403	10,105	64,936	936,307	1,493,7
Bank of New South Wales .....	362,922	561	112,481	697,234	1,178,
London Chartered ...	149,659	1,261	—	198,369	349
English, Scottish, and Australian .....	39,175	—	163	62,390	101
<b>Totals .....</b>	<b>2,191,115</b>	<b>56,331</b>	<b>177,843</b>	<b>5,068,790</b>	<b>7,49</b>

(II.)—ASSETS.

Banks.	Coin and Bullion.	Landed Property.	Balances due from other Banks.	Debts due to the Banks.	Total.
Bank of Australasia	£881,524	£58,197	—	£2,457,222	£3,396,943
Union Bank of Australia .....	736,724	25,954	£5,859	1,526,780	2,295,317
Bank of Victoria .....	568,356	13,630	115,544	1,141,086	1,838,616
Bank of New South Wales .....	504,518	35,743	526,990	994,357	2,061,608
London Chartered ...	168,604	—	—	561,066	729,670
English, Scottish, and Australian .....	82,015	7,534	—	124,808	214,357
Totals .....	2,941,741	141,058	648,393	6,805,319	10,536,511

(III.)—LIABILITIES.

Banks.	Notes in Circulation.	Bills in Circulation.	Balances due to other Banks.	Deposits.	Total.
South Australian Banking Company	£155,859	£3,236	£6,500	£721,135	£886,730
Union Bank of Australia .....	47,552	4,566	47	280,890	333,055
Bank of Australasia ..	68,404	4,806	—	337,041	410,251
Totals .....	271,815	12,608	6,547	1,339,066	1,630,036

(III.)—ASSETS.

Banks.	Coin and Bullion.	Landed Property.	Balances due from other Banks.	Debts due to the Banks.	Total.
South Australian Banking Company	£643,439	£10,454	[£44,315	£319,474	£1,017,682
Union Bank of Australia .....	138,700	1,305	3,495	165,138	308,638
Bank of Australasia ..	223,551	10,602	—	196,147	430,300
Totals .....	1,005,690	22,361	47,810	680,759	1,756,620

Taking the progress of banking as proved by these figures there is abundant evidence that overtrading absorbs capital, and restricts the strength of the commercial community; but when the rapid extension of such an objectionable state of things is observed, accompanied by a great fall in prices, and markets are so overstocked that to realise upon goods means to sacrifice them, it necessarily follows that the financial affairs have been undergoing a severe pressure, and that although they may with prudence soon recover, there must, nevertheless, be failures and embarrassments which will entail loss and discredit both upon parties in England and the colonies. The commercial



classes in Australia have not only borrowed in the past year to the full extent of the colonial means, but beyond; and the subjoined figures show that their great wealth has been insufficient for their demands, that they have exceeded the bounds of even safe borrowing, and that it will not be till the aggregate of their discounts has been reduced that the commercial atmosphere will be cleared, or the energies of trade have scope for the exercise of renewed powers. The following table only refers to the two most important colonies, and gives the averages at the end of each year:—

YEAR.	NEW SOUTH WALES.		VICTORIA.	
	Deposits.	Discounts.	Deposits.	Discounts.
1851 .....	£1,276,000	£1,321,000	£822,000	—
1852 .....	2,001,000	1,573,000	4,334,000	—*
1853 .....	5,065,700	3,138,200	6,239,297	£3,905,944
1854 .....	5,004,667	5,265,272	5,068,790	6,865,319

There can be no question that the maximum of accommodation has been reached; and, looking at the more limited and prudent trade since the autumn of 1854, the sober views now entertained in Australia as to their own requirements, the reduction of rents, the clearance that has for months been going on of spurious traders, and the more cheering accounts in all directions that the "worst is past," the future is brighter and more hopeful than it has been for the last two years. If Australia can profit by experience bought at a heavy cost, the opportunity has been most assuredly offered; and with such enormous resources, territories yet untilled, minerals of the rarest character in abundant profusion, and the means of supporting a population as large as can possibly be sent, in almost every pursuit connected with trade, manufacture, or science, there will soon be a return to sound commercial transactions and a healthy financial system. New countries are proverbially speculative, but there is no reason for supposing that the lesson of the past can be altogether disregarded, for, in many cases, the consequences have been considerable losses and sufferings of a wide spread character.

#### THE DECIMAL COINAGE QUESTION.

THE question of decimal currency has been again mooted in the House of Commons, and a resolution of that branch of the legislature, declaring its opinion "that the initiation of the decimal system by the issue of the florin, has been eminently successful" was carried on the 12th

\* The banking statistics for Victoria were, within these years, much mixed up with those of New South Wales, and therefore the discounts cannot be separately given.

ultimo, by 135 votes against 56, notwithstanding that it was opposed by the Government: but opposed, it is only fair to state, on the ground of convenience, rather than of abstract principle. Mr. Brown, member for Lancaster, who brought the question under discussion, submitted his motion, in the first instance, in the shape of an address to the Crown, praying that Her Majesty would complete the decimal scale with the pound and the florin, by directing the issue of silver coins or "cents," to represent the value of one hundredth part of a pound, and copper coins, or "mils," to represent the value of one thousandth part of a pound; but, upon its being objected that this would pledge the House to a particular scheme, he modified his motion to a simple declaration of the success of the experiment, so far as it had already gone.

Were we now about to establish a coinage for the first time, that it ought to proceed upon the decimal basis, no one, who is acquainted with the facilities for calculation which decimal arithmetic affords over every other system, would question for a moment. The task would then be comparatively easy. It would be necessary only to establish a comparative relation of value between the smallest article of every day demand to the smallest token of currency; make that token the base of the money table, and then to ascend regularly by the multiple of ten to the coin of the highest denomination, introducing such intermediate steps as the convenience of ordinary trade might be supposed to require. But when we have an existing coinage—complicated and inconvenient, it is true, but which has continued with slight alterations for several generations; by means of which all trading and monetary transactions are carried on, and the details and relative value of which to every commodity of demand are understood by the whole population—the attempt to introduce upon it, or to incorporate with it, in any way, a new system, with the view of gradually absorbing the old, becomes a matter of very considerable difficulty. There is no need of discussing the question, "Why not at once call in your present coinage, and issue the new in its place?" It is obvious that so much inconvenience and so much expense would be occasioned by such a proceeding, as to place it beyond the verge of practicability. On the other hand, to have two systems of coinage in circulation at the same time—the one based upon the decimal system, with a money table ascending regularly by the multiple of ten; and the other, upon the existing system, or rather no system, with a money table ascending by irregular jumps of 4, 12, and 20—until the one shall have absorbed the other, would lead to inexplicable confusion in ordinary monetary transactions. The question then is, "By what means can the decimal system be most readily adapted to and incorporated with the present coinage?" To solve this problem, some of the most learned savans and eminent financialists of the day have devoted their attention. Either individually or as members of commissions or Parliamentary committees, we have had the opinion of the late Sir John Wrottesley (who first brought the question under the notice of the House of Commons), of Sir C. Pasley, Mr. Babbage, Lord Monteagle (when Chancellor of the Exchequer), Sir John Bowring, Professor De Morgan, Professor

Airey, Sir John Herschell, Dean Peacock, and many others, on the subject. The researches of these authorities, and the investigations instituted by the Crown and by Parliament, have, as might be expected, brought a number of projects before the public for meeting the difficulty. Amongst these there are three, which, as going nearest to the fulfilment of that important requirement of interfering the least with the existing coinage, deserve special consideration. The first of these is what is called the uniform penny system—which takes the penny as its basis, makes the next coin a token of the value of tenpence, and the third, and highest, one of ten times that value, or a hundred pence. This certainly has the advantage of adhering strictly to the decimal principle, and also of retaining the copper coin in circulation, but it has the very serious disadvantage of throwing out of circulation the present silver and gold coinage. One objection urged against it by Lord Stanley, and which his lordship seemed to lay some stress upon—viz., that a system in which the highest nominal coin did not exceed one hundred pence in value, would occasion inconvenience in calculating large amounts—is, however, of the least consequence. It would be no more inconvenient to compute by so many imperials, angels, or whatever other nomenclature the hundred-penny coin might bear, than it is found to be to compute by dollars in America, or, still more, by francs in France. The second of these schemes also proposes to take the penny as the starting point, and a tenpenny piece as the next coin; but, in order to retain the present sovereign, it multiplies the tenpenny piece by twenty-four. This is far more objectionable than the other, for while, like that, it throws the existing silver money out of circulation, it introduces, for the sake of retaining the gold coin, a hybrid coinage, marked by the same disadvantage of arbitrary irregularity which characterises the present system, without affording that simplicity and regular progression which is the chief recommendation of the decimal principle.

The third plan is that recommended by the Committee of the House of Commons, which was involved in Mr. Brown's proposed address to the Crown, and of which the issue of the two-shilling piece or florin is the first instalment. This begins at the other end of the scale, and adopts the "pound" as the unit, making the second coin of account the "florin," or the tenth of the pound; the next, the "cent," or the tenth of the florin, and the lowest, the "mil," or the tenth of the cent. This plan, undoubtedly, follows the decimal principle with the most scrupulous strictness, and it possesses, too, the advantage of throwing out of use no portion of the present gold coinage, or even of the silver coinage, from the shilling upwards. Under this system the half-sovereign, the crown, the florin, and the shilling, and possibly the half-crown and the sixpence, might all be continued in circulation. So far, therefore, this is decidedly the best scheme of the three. The only objection to it is, that it would require either an altered value to be put upon the penny, or the copper money must be called in and re-coined. The penny would answer to neither the hundredth nor the thousandth part of the pound, nor would it be a multiple of

either of them, and to retain it in circulation, therefore, in connection with the proposed decimal system would lead to inconvenience and confusion; and, in the smaller transactions of weekly wages, and the trifling purchases of the poor, to extortion, to disputes, and to loss, where loss would fall with the greatest severity. This might be obviated, as was suggested by Lord Stanley, by altering the nominal value of the penny, and making 250 pence go to the pound instead of 240, thus the shilling or half florin would be worth  $12\frac{1}{2}$  pence, instead of 12 pence. Such a change of value might inflict hardship upon the holders of copper money, and that hardship would fall almost exclusively upon the poorer class of traders and purchasers, whose transactions are generally carried on in that description of coin. Perhaps a still more simple plan would be to begin with the cent, but to make the relative value of that coin to the present penny one and one-fifth, to ascend by the multiple of ten to the shilling, and then by another multiple of ten to the ten-shilling gold piece, making that the highest coin of account. This would retain the whole of the existing silver and gold coinage, the present sovereign being taken as a double "imperial"—supposing that to be the name given to the half-sovereign in the decimal system—and, by an alteration in value, the copper coin also, the change, in value, in this case, being in favour of the holders, instead of against them. But, probably, the better course would be to call in the copper coin, and issue a new copper cent, or penny, which would be a trifle larger than the old 1797 penny token. The subordinate copper money might either be half-cents, corresponding with the half-penny, and quarter-cents, corresponding with the farthing, but of a little higher value, or "mils," ten of which would go to the cent. Such a plan would carry with it all the advantages of the decimal system, equally with that recommended by the committee; it would, equally with that also, retain nearly the whole of the existing coin in circulation; and it would have the additional advantage of commencing at the right end of the scale, ascending from the bottom to the top, instead of descending from the top to the bottom.

In the discussion in the House of Commons, a variety of objections were urged against the particular scheme of which the honourable Member for Lancashire is the advocate; but those objections, if good for anything, are good as against the introduction of the decimal system altogether. The principal of these was, the difficulty people would experience in determining the value of the several coins, in relation to the value of the articles they desired to purchase with them. In this objection, there is literally nothing. The sovereign, by whatever name it may be called, will still represent a sovereign in value. So also of the half-sovereign, the crown, the florin, the shilling, and so on; and, with regard to the copper money, there will be no more difficulty in determining its relative value to the articles of every day demand, than an English labourer experiences in France or Belgium, in ascertaining the relative value of a five or a ten centime piece to the *petite verre* of Cognac and Geneva with

which he may desire to refresh himself. The fallacy which generally pervades the argument of the objectors consists in the endeavour to confound and mix up together the pound, shilling, and pence table with the decimal table, involving themselves in a labyrinth of confusion, in the attempt to determine, by decimal numbers, the exact proportion between some given fractional sum in our present money, with some one of the smaller of the proposed decimal tokens. But the decimal principal, once introduced and in operation, the pound, shilling, and pence table will be abolished, and such calculations as are here suggested, if made at all, will be made for the purpose of amusement only.

The great object in every monetary system is simplicity, as being conducive to accuracy and rapidity of calculation. That object, the decimal principle is calculated more than any other to promote; and by whatever plan it may be introduced, the result of its introduction into our coinage must necessarily tend to economy of time, of expense, and generally to the public benefit.

#### REDUCTION OF THE BANK RATE OF DISCOUNT.

THE Bank directors, in accordance with our opinion, expressed last last month, have made a further reduction in their rate of discount to  $3\frac{1}{4}$  per cent. The announcement was published on the 14th of June, and, looking at the general position of the money market, it excited little surprise. Although there had previously been a slight tendency to decline in the foreign exchanges, and some gold had actually been shipped to France, the steady influx of specie from Australia and America, with the favourable accounts from Sebastopol, caused the future to be viewed with less apprehension. In addition, the satisfactory alteration in the weather, with the advices from the continent and the United States, in connection with the crops, showed that the cereal supplies are not likely to be materially affected this season by a prolongation of the war. Under these circumstances, there was no other course open to the directors for the employment of their resources, especially since the rate in Lombard-street was on the average nearly one per cent. under their terms, without any immediate prospect of improvement. A general impression appears to prevail, that the authorities in Threadneedle-street will not descend below  $3\frac{1}{4}$  per cent. for some time to come, if at all; but any future variation will naturally depend upon the accumulation of the stock of bullion, and the position of trade. The impending operation of a new French loan, the uncertainty attending the required assistance to our own Treasury, and the guarantees to be proposed on behalf of friendly foreign powers, will, no doubt, create caution, and prevent any steps being adopted which may necessitate a suddenly contrary action.

The City editor of the *Times*, referring to the alteration, remarked :—

The Bank of England to-day have reduced their rate of discount from 4 per cent., at which it had stood since the 3rd of May, to 3½ per cent. The measure had been so completely anticipated that, instead of causing any advance in the funds, it has led to realisations on the part of several speculators, who had recently made purchases under the conviction that it would occur. For a few days, during the past week, the probability of gold being required to be sent to Paris, seemed to render a temporary delay probable, but a renewed tendency to an improvement in the French exchange has since manifested itself, and is further confirmed by the quotations received to-day. At the time when the last reduction was made, it was thought that the rate of 4 per cent. would probably be maintained for a long time, but the favourable turn which has subsequently occurred in the prospects of the harvest, and the repeated successes in the Crimea, have altered the whole aspect of affairs, and caused a rise of between 4 and 5 per cent. in the funds. As regards any direct action on the money market, the reduction is not likely to have much influence. When the supply is beyond the demand, the Bank can never descend to any safe point without being underbid by the other establishments; but, in the present case, the general rates already prevailing among them are sufficiently low to prevent the necessity of the movement being met by any further action on their part. Paper of a choice description has for some time been freely negotiated at 3 per cent., and the probability is, that, with some occasional exceptions, a stand will be made at that rate. The last period when the Bank rate of discount was as low as 3½ per cent. was between June and September, 1853. The bullion then ranged between £17,000,000 and £18,000,000, and Consols were about 98. The bullion is now about at the same point, but the amount of notes unemployed is larger by more than £2,000,000.

With regard to the same subject, the *Morning Chronicle* observes :—

This measure will necessarily be followed by a similar reduction of ½ per cent. in the rates of interest and discount current out of doors. The present decision of the Bank directors produced no stir in the general money market, nor any improvement in Consols; on the contrary, the latter slightly declined in value as soon as the reduction was known to have taken place. Of the necessity or expediency of the measure the board of directors, as a matter of course, are expected to be best informed, but the public will entertain some difference of opinion on the subject. So far as the actual state of the money market is concerned, there can be no question as to the regularity of the step now taken. Unemployed capital has become very abundant of late, and continues to accumulate, and the rates of interest "out of doors" have been much below the minimum of the Bank; but it had been hoped that the directors would not have again lowered the rate, for fear lest it might produce an unhealthy action on trade, by causing an undue spirit of speculation. Of this, however, we have no fear at present. The trade of this and other countries must first become more active, before any general and active course of speculation can be fostered. The lowering of the rate is more likely to help an improvement of legitimate trade, rather than promote speculation. There is much room for the one, but not for the other. It is very doubtful, however, if this measure of the directors will have any immediately perceptible influence on trade. The reports from distant foreign markets are not such

as to encourage a hasty expansion of business, either bonâ fide or otherwise, whilst, from the East Indies, the advices by the overland mail, which are expected to-morrow (this day), are likely to prove more discouraging to both shippers and manufacturers than any previously received. From neither north nor south, nor east nor west, are the accounts favourable to any early extension of profitable trade. It is more than likely, however, that the good sense of the manufacturing and mercantile interests will save them from any hasty and indiscreet effort to force business, which the lowering of the rate of discount, it has been apprehended, might induce them to attempt.

*The Morning Post* remarks as follows :—

At their weekly meeting to-day, the directors of the Bank of England, after a protracted sitting, reduced their minimum charge for interest and discount from 4 per cent. to 3½ per cent. per annum—a measure that was not, it may be presumed, to be longer postponed, in consequence of the large increase in the stock of bullion in the hands of the establishment. The foreign exchanges have, it is true, not been quite so good during the last week or two, but it is seen that gold is still coming forward from Australia and the United States in an uninterrupted stream, and in such extreme profusion, that the Bank must be greatly embarrassed by the superabundance of the supply, and its threatened extension. What advantage the proprietors may derive from the reduction of the rate of interest and discount announced this afternoon has to be proved. The notes in profitless circulation against gold, would seem sufficient to meet all but the utmost requirements of the public, so that no sensible increase of business in the discount department can be looked for, especially as the Lombard-street bankers and discounting houses feel the effect of the plethora of loose capital in a comparatively inconvenient degree. The Bank authorities are understood to have recently sought relief in the investment of their surplus moneys in the Government securities; but, with the war still going on, and prices nevertheless so very high, such operations must necessarily be limited.

The writer in the *Daily News* thus refers to the question :—

The Directors of the Bank of England, at their weekly board to-day, after a lengthened sitting, reduced their minimum rate of discount from 4 per cent., at which it has stood since the 3rd of May, to 3½ per cent. The current rate of discount "out of doors" having for some time past been as low as 3 to 3½ per cent. for first-class bills, it is obvious that the Bank, in reducing its terms, is merely following the strongly pronounced tendency of the money market. Although two or three weeks ago the step now adopted by Bank was regarded as extremely probable, the subsequent hesitation of the directors had led many persons to imagine that no change would be made at present, and thus to-day's announcement was received in many quarters with some degree of surprise. There is at the same time every disposition to welcome the measure as one calculated to give a stimulus to trade, and as indicating a conviction on the part of the Bank directors that, in spite of the war and of its heavy financial requirements, the immediate future of the money market points to increased ease.

Somewhat singularly, the immediate effect of the Bank measure upon the Consol market has been a decline of ¼ per cent., its announcement being apparently regarded as presenting a favourable opportunity for effecting some considerable speculative realisations. A further decline at Paris also assisted in checking the market.

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## CIRCULATION OF FICTITIOUS WARRANTS.

THE preliminary investigation into the frauds perpetrated by Messrs. Davidson and Gordon has been completed before Sir Peter Laurie, at Guildhall, and they have been fully committed for trial.\* Distressing as the inquiry has proved, it has elicited a variety of important evidence, which is calculated to throw much light upon the facilities existing in this metropolis for raising temporary accommodation. The whole narrative furnishes a salutary lesson to those engaged in trade, not to exceed the bounds of prudence in their several adventures, since temporary prosperity is scarcely to be received as the true index to success, whatever may be supposed to be the credit and position of their connections. We have arranged the further examinations for reference, which for the present terminate the general history of the case.

*Further Examinations in the Case of Messrs. Davidson and Gordon, before Sir Peter Laurie, on the 31st of May and 19th of June.*

Daniel Mitchell Davidson and Cosmo William Gordon, who lately carried on business as general merchants and metal brokers at Cousin-lane and Mincing-lane, London, and as distillers, at West Ham, Essex, were placed at the bar for further examination, relative to the charges of absconding from their liabilities, which are said to amount to about 500,000*l.*, uttering forged spelter warrants, concealing their effects, and obtaining by false pretences, goods to a large amount on credit, within three months of their bankruptcy, with intent to cheat and defraud their creditors.

Sir P. Laurie presided, and Sir R. W. Carden and Alderman Humphery were present during the proceedings. The court, as on the former occasions, was densely crowded by merchants, bankers, and other commercial gentlemen of high respectability and position in the City, who appeared to take a lively interest in this important investigation.

Mr. Ballantine, instructed by Messrs. Linklater, appeared for the prosecution; Mr. Bodkin, instructed by Mr. Humphreys, for Davidson; and Mr. Clarkson for Gordon.

Mr. Edwin James, Q.C., attended to watch the proceedings on behalf of Messrs. Overend, Gurney, and Co., in consequence of certain remarks made by Mr. Ballantine, imputing motives of a not very upright character to the firm in their transactions with the prisoners.

Mr. Ballantine said—In connection with the case, I mentioned, when I was last before you, Sir Peter, there are one or two matters with regard to Mr. Chapman (of the firm of Overend, Gurney, and Co.), who was examined as a witness, which required some explanation. Mr. Chapman must have been under some misapprehension, because, it will be in your recollection that he conveyed to you that the firm of Overend, Gurney, and Co. had no connection with Davidson and Gordon after October, 1853. The bankrupts' books are here, and I shall show you that discounts took place after then to a very large extent. There is another matter I think it right to mention, because a highly respectable solicitor must also have been under some misapprehension. It was stated by Mr. Chapman that they would have nothing whatever to do with the business of the prisoners' distillery, and the reason given was one of a moral character. It seems to have been conveyed that the title deeds of the distillery had never been held by Mr. Chapman, on the part of Overend, Gurney, and Co. An agreement is in the hands of Mr. Linklater by which the leases are conveyed to Mr. Chapman, for the benefit of Overend, Gurney, and Co., and that agreement is in the handwriting of Mr. Vallings, the solicitor to Overend, Gurney, and Co. It is right that these matters should be known, and, having proved this, I shall introduce

\* Since this was in type, another remand has taken place, at the suggestion of Sir Peter Laurie, who intimates that further disclosures are about to take place.



another case of obtaining goods fraudulently to a very considerable amount; and another transaction, which it is not necessary for me now to explain, but which will make out that these bankrupts knew the fact that these warrants were fraudulent.

Charles Walker was then called, and, having been sworn, said—I was clerk to Davidson and Gordon. I kept their books. I have a memorandum in these books of transactions with Overend, Gurney, and Co. after October, 1853. In the bill-book I find a draft for 502*l.* 2*s.*, purporting to have been discounted by Overend, Gurney, and Co. on the 20th of November, 1853. There are also memoranda of drafts discounted for 160*l.* on the 3rd of December, 1853; 276*l.* 15*s.* 9*d.* on the 12th; and 1,080*l.* 14*s.* 9*d.* on the 13th of the same month; 1,438*l.* 15*s.* 6*d.* on the 2nd of January, 1854; 365*l.* 14*s.* 6*d.*, and 579*l.* 11*s.* 9*d.* on the 3rd of the same month; 300*l.* on the 10th of February, 1854; 1,000*l.* and 383*l.* 17*s.* 6*d.* on the 27th March, in the same year; and 1,450*l.* on the 3rd of April, 1854. The discounts upon all these drafts were paid into the prisoners' bankers—Barnett, Hoare, and Co.

Sir P. Laurie—What is the total amount of all these drafts?

Mr. Ballantine—About 8,000*l.*

Mr. Vallings said—I know the agreement produced. The corrections are in the handwriting of Mr. Young, but the agreement was altered and signed by me, as acting for Overend, Gurney, and Co.

The agreement was then read, and purported to contain the mutual consent of Nicholson and Co., Overend, Gurney, and Co., Mr. Webb, the assignees of Cole Brothers, and the assignees of Davidson and Gordon to the unreserved sale of the distillery, which was about to be sold by the auctioneer for the duty owing to the Crown, and that the balance of the proceeds of such sale, after paying the duty, should be paid into the bank to the account of the consenting parties to the agreement, without prejudice to their respective rights.

Mr. Edwin James here rose, and said—I do not propose, and, in point of fact, have no right, to take part in this discussion with reference to the prosecution of the prisoners at the bar, but I have come here on behalf of Messrs. Overend, Gurney, and Co., merely to ask your indulgence that no observations be made in reference to them in these transactions until the whole of the evidence has been gone through. I am certain that, even before the evidence is completed, the character of Messrs. Overend, Gurney, and Co. is perfectly safe in your hands, sir, and the public will suspend their judgment until the whole of the evidence is adduced before you. If any remarks should be made, Messrs. Chapman, Overend, and Gurney are able to explain, and, I am sure, feeling your sense of justice, and my friend Mr. Ballantine's fairness, that no imputations will be made. I merely ask you, if Mr. Chapman should be put into the witness-box, to allow me to suggest questions with regard to his conduct in this matter. Mr. Chapman is perfectly willing to meet any proceedings that may be taken against him, and I have only to ask that no further imputations shall be made beyond those which the evidence will justify. I think my friend will allow that the agreement which has just been read was executed after the bankruptcy of the prisoners, and I am sure he will not object to Mr. Chapman's explaining it, which he is perfectly able to do.

Mr. Ballantine said—I put this agreement in merely to show that, by becoming parties to it, Overend, Gurney, and Co. recognised their title to the distillery, although they had previously declined to have anything to do with it.

Sir P. Laurie said—I allowed Mr. Chapman to explain himself on every occasion of his coming before me, notwithstanding it was objected to, and Mr. Chapman expressed himself very much obliged to me for it.

Mr. Edwin James said—I do not mean to say that you would not act with fairness; but I am sure you will not allow a house like this to be injured by any imputations.

Mr. Ballantine said—If these facts are in favour of Mr. Chapman, he will have the verdict of the City, and nothing that a counsel could say would make any impression; but, if against him, they would most certainly condemn him.

Mr. Edwin James—That is all that I require.

Mr. Ballantine said—I assure you that I have considered every word I have spoken in this case, because no counsel ought to injure a person, unless in the

discharge of his duty. There is not one word that I desire to withdraw, and all that I have hitherto said I still adhere to.

Mr. Vallings was re-examined, but spoke so low that the reporter found it impossible to catch distinctly what he said; but he was understood to say, that he retained possession of certain deeds connected with the distillery on behalf of Overend, Gurney, and Co.

William Horry said—I am a supervisor in the Excise. I was at the West Ham distillery in June, 1854. I produce a warrant granted by two county magistrates to levy for £14,000, double the amount of duty due, which was £7,422 17s. 2d. On Saturday, the 17th of June, 1854, I received from Davidson and Gordon's clerk a check on Barnett, Hoare, and Co., for £2,070 for duty on spirits going out that morning. That check was presented on the same day, about two o'clock, and not paid. There were checks to the amount of £7,420 that were dishonoured.

Cross-examined by Mr. Bodkin—The reason given for not paying the check was not that the funds in their hands were attached. The checks were presented at the bank, but not by me, and I, therefore, do not know the answer.

Richard Simpkins said—I am partner in the firm of Simpkins and Isaac, of Goldsmith-street, London. In January, 1854, the prisoners bought some Turkey red cambric. The order was given for about £3,000 to £4,000. We supplied the first delivery for about £2,000. Gordon said he wanted them for shipment to their correspondent in Calcutta. The first portion of these goods were delivered on the 20th of March, 1854, and a second portion about the 20th of April in the same year. The first portion, amounting to £1,800, was paid for in cash. We made a subsequent delivery about the 20th of April to the amount of £1,400, and we took acceptances for two-thirds of that amount. The rest was paid in cash. One of the acceptances was paid. They gave us a further order for goods to the amount of £200, to be delivered about the 1st of June; but, from information I received, I detained them.

Henry John Todd said—I carry on business in Pancras-lane. In May, 1854, I was agent to Pickford, Johnson, and Co., of Manchester. I received an order from the prisoners to deliver 19 cases of printed cotton and two cases of muslin. I received that order from Gordon. The cottons amount to £1,719, and the muslin to £346. I understood they were to be shipped to India. Gordon told me so. I never got any money for these goods, and we are, therefore, creditors to that amount.

William Beddow said—I am commission agent in Huggin-lane. In May, 1854, I was agent to Russell, Douglas, and Co., of Bradford, in Yorkshire. From what my clerk told me, I supplied them with goods to the amount of £1,397. I also supplied goods to the amount of £426, on the part of M'Millan, of Glasgow. Neither of these amounts have been paid.

Nathaniel Davis said,—I am a salesman in the employ of Mr. Beddow. I went to solicit orders of the prisoners in May, 1854. I saw Gordon, and he said he was not in a position to give me an order then, but if I would call again he might be able to do so. I called several times, and ultimately received an order from him for about 3,000*l*. That would have been the amount if it had been executed. I should think it was about three weeks before they left London. The amounts of the goods supplied were 1,397*l*., and 426*l*. They said the goods were required for shipment to India.

Charles Walker recalled said—I remember the goods from Russell and Co. being sent to the docks to the amount of 1,397*l*. I do not know if any advances were obtained upon these goods. The goods I have since heard went to Mr. Cole. There was another parcel for 455*l*. 4s. 11*d*.; that was given up. Two parcels of goods from Pickford and Co., to the amounts of 1,716*l*. and 346*l*., were also received, and part of them went to Ogilvie and Co., of Liverpool. I do not know what became of the remainder. There were other goods obtained of different tradesmen in May, upon which advances were obtained from time to time.

Mr. Ballantine.—Did Davidson and Gordon have any correspondent at Calcutta?

Witness—We used to receive letters from India, and used to send goods to those parties through a London house. Hoffman was the name of the house, and he made advances upon these goods.

Mr. Edwin James said—With reference to these discounts which took place after October, 1853, they do not refer to the metal warrants, as they were connected with previous transactions; and it was under that impression that Mr. Chapman said they had no dealings with the bankrupts after October, 1853; but immediately upon leaving this court on a former occasion he wrote to Mr. Linklater, expressing a wish to correct his evidence with regard to these discounts.

Mr. Ballantine said—I understand from the clerk of the court that it will be necessary to prove the proceedings in bankruptcy. The witness who will be able to do that is at present many miles from here, but on a subsequent occasion I shall be able to produce him.

The prisoners were then remanded.

Daniel Mitchell Davidson and Cosmo William Gordon, who carried on business as general merchants and colonial and metal brokers, at Mincing-lane and Cousin-lane, City, and as distillers at West Ham-lane, Essex, were placed at the bar for final examination.—Mr. Ballantine appeared for the prosecution; Mr. Clarkson defended Gordon, and Mr. Humphreys attended for Davidson. Mr. Edwin James, Q.C., attended to watch the case on behalf of Messrs. Overend, Gurney, and Co.

Mr. James Robert Edwards, of the firm of Edwards and Mackie, said—I am a colonial broker in Mincing-lane. In July, 1851, I received this warrant with others from Gordon. I sent my clerk down to Hagan's wharf, and, in consequence of information I received from him, I spoke to Gordon about the warrant. My partner and Cole were present at the time, at the office of the latter, when I told Gordon I had sent to Hagan's wharf, and had found that the spelter warrants deposited with us as security were of no avail, as there was a stop upon the spelter by Leo Schuster and Co. I told Gordon that I considered he had brought a very improper transaction to me, and that he ought to have known that a warrant with a stop upon it was a valueless security. Cole immediately stepped forward, and said he was aware there was a stop on the spelter by Schuster and Co., which made me very angry. The amount we advanced was 4,200*l.*, and the security deposited with us consisted of the warrant in question, with others, for about 350 tons of spelter. A portion of the spelter was lying at Hagan's wharf, but, knowing nothing of that wharf, and knowing all the others so very well, I sent only to Hagan's wharf. I told Gordon I wished him to put this stop of Schuster's straight, and I said, as Cole had admitted that he knew there was a stop, that unless the advance we had made upon the warrant was returned to us that afternoon, I should have both Gordon and Cole up at the Mansion-house. Upon this Gordon said, "Don't be so violent," and as it was then too late in the day to do any business, he added, "If you will rest quietly this afternoon, I will give you my word that the stop of Schuster's shall be removed in the morning, and you shall be satisfied with your security." I agreed to do this, and on the following day he made an appointment to go down with me to the wharf to satisfy me that Schuster's stop was removed, and that the warrants he gave me were a valid security. I was busy at the time, and sent my clerk with Gordon to the wharf. They went in a boat to Hagan's wharf, and my clerk returned and assured me that the spelter was all right. I became satisfied, and therefore held the warrants as security for my advance, which was paid the November following, when I gave back the warrant in question. I received the whole amount of our advance by a cheque on the 4th of November, which was just four months after the advance was made.

Mr. Ballantine here said—This is the whole of the case for the prosecution; and I now propose that the prisoners shall be committed on three distinct charges. I am instructed by the assignees, under an order of the Court of Bankruptcy, to prosecute on the matters arising out of the bankruptcy, independent of other matters involving frauds of a very serious description, and I therefore ask you to commit the prisoners upon the charges of not surrendering when called upon to do so, with concealing their effects, and with obtaining goods under false pretences within three months of their bankruptcy, with intent to defraud their creditors. I have shown you that these bankrupts were hopelessly insolvent, and owed enormous sums of money at the same time that they were obtaining goods to the amount of £8,000 within three months of their

bankruptcy, and no portion of the proceeds of those goods had been forthcoming. Under these circumstances it will be for a jury to say whether the prisoners required those goods for the ordinary purposes of trade, or with a view to defraud their creditors.

Sir Peter Laurie said—It only remains now to read over the depositions to the whole of the witnesses, so as to commit the prisoners.

The depositions, which occupied the Court about a couple of hours, were then read over. Some discussion ensued upon the reading of Mr. Chapman's (of the firm of Overend, Gurney, and Co.) evidence, when the City Solicitor said: I have attended here at the request of Sir Peter Laurie to give him my opinion upon the whole case, and, with reference to Mr. Chapman's deposition, I am of opinion that it is not relevant to the bankruptcy of the prisoners, and ought not, therefore, to be returned with the other depositions. The deposition in question appears to disclose very serious frauds, and would therefore be required as evidence in support of a prosecution on charges not connected with the bankruptcy. It is a very unusual thing for a magistrate to instruct the City Solicitor to prosecute in any case in which men of substance and position in the world are concerned, but there have been instances in which such a course has been adopted, where it has been anticipated that the ends of justice might otherwise have been frustrated.

Sir Peter Laurie said—I have no hesitation in saying that I shall send the whole of the depositions. This fraud is of such great importance to the mercantile world that I think it is the duty of the magistrate to give every information to the Court above, and to protect to the utmost of his power the commercial interests of this country.

At the close of the case, Mr. Edwin James rose and said—As I understand that the charge is one of not surrendering, and obtaining goods, I wish, as the firm of Overend, Gurney, and Co. has been mentioned, I may be allowed to say that the matter was referred to their solicitor, and that the warrants which were deposited with him had all the appearance of genuine ones. I am sure you will agree with me in saying that although Mr. Gordon chose to make some statements, there is not a scintilla of evidence to confirm them. Representing this house, which has rendered every assistance it could, I merely desire that they may stand as high as they always have done in the mercantile world.

Sir P. Laurie having read the usual caution, the prisoner Davidson said—With all due respect I beg to say that I cannot (until I am furnished with copies of the documents which have been put in evidence by the different witnesses before you) make any full statement, such as you call upon me for. The prosecutors have, I suppose, thought the documents important to give in evidence against me or they would not have produced them. I think it right, and my legal advisers think so too, that I should not only hear read, but also have copies of documents which are considered by my prosecutors and the magistrates so materially to aid the prosecution as to be produced and referred to in the depositions of the witnesses. My legal advisers have applied for the copies, and they have not been furnished. They are absolutely essential to my defence, and without them I cannot give any answer before you to the charge made against me. I make this request in order that you may be enabled to return to the Court with the depositions such documents, and also such addition to this my statement, in further answer to the charge, as I may deem material. I have instructed my attorney, and he is prepared to pay the fees and charges for the copies of the depositions and the documents referred to therein. I respectfully but earnestly request that you will not commit me for trial without having annexed to, or incorporated in the depositions the above documents, which are so material and necessary for me to have, as without them I cannot make such answer to the charge before you as with them I might be enabled and might be advised to do.

The prisoner Gordon said he should reserve his defence, and both prisoners were then committed for trial upon the bankruptcy charges, but were remanded for a week to enable the City Solicitor to make inquiries with regard to the frauds not connected with the bankruptcy, and to decide whether the City would

prosecute or not. Mr. Pearson said he would give the prisoners the earliest information as to what steps he would take in the matter.

### MERCANTILE SUSPENSIONS.

THE mercantile suspensions, since the last number of the *Bankers' Magazine*, have increased. They are, however, principally connected with the iron trade in the neighbourhood of Birmingham, and exhibit, as usual in such cases, heavy liabilities with a limited proportion of assets. The failure of a metropolitan banking firm is dealt with at length in another part of this publication, and it is therefore only necessary to record the fact in our customary list, which is as follows :—

- June. Messrs. Strahan, Paul, and Bates, London, bankers.
- „ Messrs. J. Heywood and Co., Nottingham and Derby, iron works.
- „ Messrs. Page, Bacon, and Co., United States, bankers.
- „ Messrs. Whitehouse and Jefferies, West Bromwich, iron works.
- „ Messrs. Hickman and Co., Bilston, iron works.
- „ Mr. J. Spencer, Birmingham, iron trade.

The failure of the whole of the South Staffordshire houses has been produced by the breaking up of the speculative movement, which is known for a long time to have affected the credit of these establishments; and it is consequently not surprising that they have been compelled to succumb. Their aggregate engagements represent, as nearly as can be estimated, from £150,000 to £250,000, and the dividends which the respective estates show, cannot be placed at more than three to six shillings in the pound. It is, nevertheless, difficult to calculate whether the creditors will realise this amount, the accommodation system, which is so closely identified with this department of business, having produced most disastrous results in similar liquidations. After an attempt at resumption, Messrs. Page and Bacon, of St. Louis and California, will be obliged to wind up, the support of their friends being found to be insufficient.

### IRISH SAVINGS BANKS' DEPOSITORS.

It appears, from the annexed extract of the parliamentary proceedings of the 23rd of June, that the Government are not prepared to adopt any measures of relief for the unfortunate sufferers by the mismanagement of the Tralee and the Cuffee-street savings banks' deposits.

Mr. D. O'Connell asked the Chancellor of the Exchequer if it was the intention of Her Majesty's Government to take into consideration the claims and sufferings of the Tralee savings bank's depositors, with a view of bringing in and passing a measure this session, or early next session, for their relief?

The Chancellor of the Exchequer said that this subject had already been fully investigated by the House, and decided by the Government, and he could hold out no hope that the former determination of the House would be departed from.

Mr. Vance asked a similar question with reference to the Cuffee-street bank's depositors.

The Chancellor of the Exchequer said, that he could give no assurance that the Government would alter its former decision with respect to this bank.

## TRADE OF THE UNITED KINGDOM.

THE Board of Trade returns for the month ending the 30th of April were issued on the 28th of May, and present satisfactory results, the declared value of our exportations showing an increase of £320,679, as compared with those at about the same period of last year. This increase, however, has been chiefly in goods of the character of raw material, such as oil and seeds, and the yarns of cotton, linen, wool, and silk, and consequently indicates an improved feeling among the continental and other foreign manufacturers, rather than any particular activity on this side. Cotton manufactures exhibit a good total, but haberdashery, hardwares, saddlery, metals, &c., still show the absence of revival in the trade of the colonies and the United States. The annexed table gives the exact increase and decrease in the exportation of each article :—

## DECLARED VALUE OF EXPORTATIONS.

	1854, May 5.	1855, April 30.	Increase.	Decrease.
Alkali—viz., soda ... ..	54,210	52,081	—	2,129
Beer and ale ... ..	160,064	156,470	—	3,594
Butter ... ..	20,224	34,228	14,004	—
Candles ... ..	13,123	23,503	10,380	—
Cheese ... ..	5,629	6,440	811	—
Coals and culm ... ..	235,929	191,440	—	44,489
Cordage and cables ... ..	57,634	40,756	—	16,878
Cotton manufactures ... ..	1,830,988	2,171,706	340,718	—
Cotton yarn ... ..	478,958	935,613	416,655	—
Earthenware ... ..	119,761	104,875	—	14,886
Fish ... ..	11,529	14,041	2,512	—
Glass manufactures ... ..	57,978	44,797	—	13,181
Haberdashery and millinery ... ..	267,735	153,565	—	114,170
Hardwares and cutlery ... ..	308,134	241,864	—	66,270
Leather ... ..	123,496	76,400	—	47,096
Linen manufactures ... ..	801,280	295,824	—	5,456
Linen yarn ... ..	82,758	132,986	50,228	—
Machinery ... ..	161,611	184,690	23,079	—
Metals ... ..	1,501,355	1,181,198	—	320,157
Oil and seeds ... ..	16,336	87,500	71,164	—
Painters' colours, &c. ... ..	43,728	41,167	—	2,561
Salt ... ..	24,427	26,012	1,585	—
Silk manufactures ... ..	82,089	66,336	—	15,753
Silk, thrown ... ..	13,771	14,237	466	—
Silk, twist and yarn ... ..	9,770	18,236	8,466	—
Soap ... ..	21,842	26,434	4,592	—
Stationery ... ..	57,958	51,040	—	6,918
Sugar, refined ... ..	21,140	9,383	—	11,757
Wool, sheep or lambs ... ..	24,460	79,693	55,233	—
Woollen manufactures ... ..	637,982	465,371	—	172,611
Woollen yarn ... ..	85,484	196,224	110,740	—
Unenumerated articles ... ..	933,902	971,854	37,952	—
Total ... ..	7,765,285	8,085,964		

With regard to imported commodities, the principal feature continues to be the smallness of the quantities of foreign grain and flour. Of

salted provisions the consumption has been large. Coffee, cocoa, sugar, spices, tobacco, and spirits, have likewise been extensively used. Tea shows a diminution, which has brought the quantity taken thus far during the year down to the limit of the first four months of 1854.

Subjoined are the quantities of provisions, &c., imported and taken for home consumption :—

Month ending May 5, 1854, and April 30th, 1855.	Imported.		Home Consumption.	
	1854.	1855.	1854.	1855.
Grain, wheat, qrs. ... ..	476,111	128,401	476,111	128,401
Grain of other descriptions, qrs. ...	212,421	89,377	212,421	89,377
Indian corn, qrs.... ..	163,490	88,740	163,490	88,740
Flour and meal, cwt. ... ..	523,706	110,372	523,706	110,372
Provisions—Bacon, &c. &c., cwt. ...	83,971	240,403	Free.	Free.
Butter and cheese, cwt. ... ..	70,374	81,489	69,217	81,163
Animals, No. ... ..	8,728	5,080	Free.	Free.
Eggs, No. ... ..	15,204,441	11,919,600	15,269,601	11,919,600
Cocoa, lb. ... ..	98,698	299,111	375,763	449,638
Coffee, British, lb. ... ..	1,650,133	2,716,178	2,610,101	2,801,945
Ditto, foreign, lb. ... ..	415,527	645,921	531,910	565,340
<b>Total coffee ... ..</b>	<b>2,065,660</b>	<b>3,362,099</b>	<b>3,142,011</b>	<b>3,367,285</b>
<b>Sugar—</b>				
West India, cwt. ... ..	178,590	197,439	191,745	296,802
Mauritius, cwt. ... ..	178,259	160,382	216,874	220,964
East India, cwt. ... ..	45,821	115,017	111,818	232,806
Foreign, cwt. ... ..	165,784	240,081	25,313	435,237
<b>Total sugar ... ..</b>	<b>568,454</b>	<b>712,919</b>	<b>545,750</b>	<b>1,185,809</b>
Tea, lb.... ..	6,443,070	17,102,482	12,927,303	6,389,793
Rice, cwt. ... ..	58,766	116,783	89,235	68,292
Spirits, gallons ... ..	714,998	1,056,946	340,358	422,626
Wines, gallons ... ..	814,682	853,760	613,849	587,391
Opium, lb. ... ..	2,974	7,568	4,276	2,857
Tobacco, lb. ... ..	727,072	953,844	2,457,208	2,736,442
Currants, figs and raisins, cwt....	17,827	32,073	24,818	40,041
Lemons and oranges, bushel ...	84,352	73,471	82,717	86,494
Spices, lb. ... ..	334,460	627,684	231,781	346,589
Ditto, cwt. ... ..	677	5,847	101	258

The following are the comparative imports and exports of raw material, showing an increase in all descriptions except flax :—

Month ending May 5, 1854, and April 30th, 1855.	Imported.		Exported.	
	1854.	1855.	1854.	1855.
Flax, cwt. ... ..	147,256	37,024	—	—
Hemp, cwt. ... ..	49,890	147,442	—	—
Raw silk, lb. ... ..	486,068	953,536	43,925	149,302
Cotton, cwt.... ..	863,383	1,276,955	59,167	148,702
Wool, lb. ... ..	4,694,881	9,288,685	728,207	1,471,006
Tallow, cwt. ... ..	29,716	43,850	—	—

Month ending May 5, 1854, and April 30th, 1855.	Imported.		Home Consumption.	
	1854.	1855.	1854.	1855.
Silk manufactures of Europe, lb.	65,205	67,188	65,322	67,453
Ditto of India, pieces ... ..	12,601	50,949	4,307	6,777

**THE BANK OF FRANCE.**

DEBTOR.	F.	C.
Capital of the Bank .....	91,250,000	0
Reserve of the Bank .....	12,980,750	14
Reserve of the Bank in landed property .....	4,000,000	0
Bank notes in circulation .....	517,295,400	0
Ditto of the branch banks .....	119,586,250	0
Bank notes to order .....	8,136,055	2
Receipts payable at sight .....	8,558,490	0
Treasury account current, creditor .....	55,494,663	51
Sundry accounts current .....	108,559,883	86
Ditto in the branch banks .....	83,684,084	0
Dividends payable .....	870,257	25
Discounts and sundry in- terests .....	7,489,656	57
Commission on deposits ...	80,028	75
Re-discounted during the last six months .....	1,083,244	98
Protested bills .....	239,377	10
Sundries .....	7,816,048	78
	<hr/>	
	F.976,019,189	91

CREDITOR.	F.	C.
Cash in hand .....	169,478,128	28
Cash in the branch banks .....	228,620,685	0
Commercial bills overdue .....	848,429	76
Ditto discounted, but not due, of which 61,283,842f. were received from the branch banks.....	153,078,849	80
Ditto in the branch banks .....	157,185,590	0
Advanced on deposit of bullion .....	1,721,400	0
Do. by the branch banks .....	668,452	0
Do. on French public secu- rities .....	83,025,236	10
Do. by the branch banks .....	8,472,450	0
Do. on railway securities .....	68,692,400	0
Do. by the branch banks .....	20,286,000	0
Do. to the State in 1848 .....	65,000,000	0
Government stock reserved .....	12,980,750	14
Ditto disposable .....	52,467,454	18
Hotel & furniture of the Bk. Landed property of the branch banks .....	4,000,000	0
Expenses of the Bank ...	4,863,460	0
Sundries .....	764,001	87
	<hr/>	
	75,908	28
	<hr/>	
	F.976,019,189	91

It appears, from this return, that the metallic reserve has decreased during the past month 34,245,170*fr.* in Paris, and increased 10,829,955*fr.* in the branch banks. The discount accommodation has increased in Paris 1,823,148*fr.*, and decreased in the departments 2,358,635*fr.* The advances on public securities have increased in Paris 4,952,700*fr.*, and in the departments 96,600*fr.* The notes in circulation have increased in Paris 52,900*fr.*, and in the departments 32,316,290*fr.* The Treasury account current has increased 3,196,264*fr.*; those of private individuals have decreased 23,176,224*fr.* in Paris, and increased 1,634,204*fr.* in the departments.



### INDIAN FIVE PER CENT. LOAN.

THE documents with reference to the recent announcement at Calcutta of an Indian loan of £2,750,000, at 5 per cent., guaranteed for 15 years, within little more than a year from the date when the old 5 per cent. loans had been reduced to 4 per cent., under representations from the Government that the Treasury was amply provided for all future contingencies, have just been published. From these it appears that the measure was adopted, not only in the face of the previous statements of the authorities of Calcutta, but in positive contravention of a despatch from the directors in London, ordering that no such loan should be raised without their previous sanction. The apology is furnished in three extracts from minutes prepared by the members of the Legislative Council, at the time of recommending the loan to the Governor-General; but it gives no new light calculated to remove the discontent of those who were deceived by the contradictory proceedings of the Government into heavy pecuniary loss. Large expenditures incurred for public works, a moderate deficiency of revenue in the Presidency of Madras, and a falling off in the opium revenue, consequent upon the rebellion in China, are the reasons assigned for the sudden change from the glowing condition of the finances described only a year before. The intended expenditures on public works, however, were at that time perfectly within the scope of exact calculation, the circumstances caused by an adverse season at Madras had already begun to manifest themselves, and the Chinese rebellion was much in the same state as at this moment. Not one of the attempted excuses therefore can be regarded as valid, and the true course would have been, for the Government to admit that the sanguine feelings caused by a very satisfactory revenue during two or three preceding years, and the desire to make the future increasingly bright, led them into the imprudent course of disregarding all provision, even for the slightest change of affairs. In justification of bidding a rate for money as high as 5 per cent., when they had recently induced a portion of the public to accept  $3\frac{1}{2}$  per cent., the Russian war is cited; but the grievance under discussion lies not in the rate at which they were obliged to raise the loan, but in the fact that, after the representations they had put forth, a loan of any kind should have been requisite.

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### AGRICULTURAL STATISTICS.

THE reports of the Poor Law Inspectors on the extended experiment made last year for collecting agricultural statistics in England have just been printed, and present rather discouraging results as regards the probable efficiency of the methods thus far adopted, but show that all difficulties would most likely vanish if a coherent system were introduced, based upon a Legislative enactment, and provided for with the liberality warranted by the importance of the object. The first attempt at collecting these statistics took place in Norfolk and Hampshire, in 1853, and with sufficient success to induce a repetition of the

	ACRES.
Wheat ... ..	3,807,846
Barley ... ..	2,667,776
Oats ... ..	1,302,782
Rye ... ..	73,731
Beans and peas ... ..	698,188
Vetches ... ..	218,551
Turnips ... ..	2,267,200
Mangold ... ..	177,263
Carrots ... ..	12,638
Potatoes ... ..	192,287
Flax ... ..	10,156
Hops ... ..	18,976
Others ... ..	1,079
Other crops, such as cabbages, &c. ... ..	97,334
Bare fallow ... ..	895,969
Total under tillage ... ..	<u>12,441,776</u>

Artificial grasses ...	...	...	...	2,820,066
Permanent pasture ...	...	...	...	8,874,946
Irrigated meadows ...	...	...	...	1,292,329
Sheep walks ...	...	...	...	2,224,862
Total under grass ...	...	...	...	15,212,203
Houses, gardens, roads, &c. ...	...	...	...	976,197
Waste ...	...	...	...	786,659
Wood and plantation ...	...	...	...	1,697,362
Commons ...	...	...	...	1,937,164
Holdings of less than two acres ...	...	...	...	459,447
Not accounted for ...	...	...	...	3,814,108
				37,324,915

With regard to live stock, the estimates are as follows :—

Horses ...	...	...	...	...	1,050,931
Colts ...	...	...	...	...	258,079
Milch cows ...	...	...	...	...	1,376,703
Calves ...	...	...	...	...	707,192
Other cattle, including working oxen...	...	...	...	...	1,339,270
Tups ...	...	...	...	...	244,106
Ewes ...	...	...	...	...	7,299,915
Lambs ...	...	...	...	...	6,987,982
Other sheep ...	...	...	...	...	4,159,085
Swine ...	...	...	...	...	2,363,724

## **Banking and Commercial Law.**

### **THE PROPOSED AMENDMENT OF THE LAW OF PARTNERSHIP LIMITING THE LIABILITY OF PARTNERS.**

THE Government has introduced two bills into Parliament to amend the law of partnership, and, in spite of some rumours circulated to the contrary, it is believed that these bills will be pressed forward. We do not intend in this paper to discuss the expediency of the proposed alterations, but simply to state the present law, and to show how far it will be changed by the measures in question, assuming them to be sanctioned by the legislature.

The principles by which the law of partnership in England is regulated, were established at a time when partnerships consisted of a very small number of persons, and nearly all the acts of Parliament which have been passed on the law of partnership, in modern times, are intended to remedy some inconvenience resulting from these principles so established.

These acts have chiefly related to the practical details of working a partnership consisting of a large number of persons,

and have not in general altered the law affecting the liability of the partners.

The last leading statute on the subject is the 7 & 8 Vic. c. 110, the Joint-Stock Companies Registration Act. The following are the powers which that act confers :—

1. To use the registered name of the company, adding thereto the word “registered.”
2. To have a common seal, with the name of the company inscribed.
3. To sue and be sued by their registered name in respect of any claim by or upon the company, upon or by any person, whether a member of the company or not.
4. To enter into contracts for the necessary purposes of the company.
5. To purchase and hold lands, tenements, and hereditaments as and for a place of business ; and also (with license from the Board of Trade) such other lands as the nature of the company's business may require.
6. To issue certificates of shares.
7. To receive instalments from subscribers.
8. To borrow money within the limitations prescribed by any special authority.
9. To declare dividends out of profits.
10. To hold general and extraordinary meetings.
11. To make by-laws.
12. To perform all acts necessary for effecting the purposes of the company.

The shareholders, however, remain liable for the debts of the company, and a creditor may select any shareholder he pleases, and compel him to satisfy the entire debt such creditor has established.

The first of the proposed measures for altering the law relates entirely to this point of liability, and to public companies. Private partnerships are not affected by it. We proceed to give the details of the measure.

The companies which may obtain the benefit of the proposed new law are stated to be :—

“I. Any joint-stock company to be formed under the act of the eighth year of Her Majesty, chapter 110 (other than an insurance company), having a capital stock of the nominal amount of not less than twenty thousand pounds, divided into shares of a nominal value not less than twenty-five pounds each, may obtain a certificate of complete registration with limited liability, upon complying with the conditions following, in addition to doing all other matters and things now required, in order to obtain a certificate of complete registration (that is to say) :—1. The promoters shall state on their returns to the office for provisional registration that such company is proposed to be formed with limited liability. 2. The

word "limited" shall be the last word of the name of the company. 3. The deed of settlement shall contain a statement to the effect that the company is formed with limited liability. 4. The deed of settlement shall be executed by shareholders holding shares to the amount in the aggregate of at least three-fourths of the nominal capital of the company, and there shall have been paid up by each of such shareholders on account of his shares not less than twenty pounds per centum. 5. The payment of the above per-centage shall be acknowledged in or indorsed on the deed of settlement, and the fact of the same having been *bond fide* so paid shall be verified by a declaration of the promoters, or any two of them, made in pursuance of the act made in the sixth year of the reign of his late Majesty King William the Fourth, chapter 62. And upon such conditions being complied with, and such other matters and things done, the registrar of joint-stock companies shall grant a certificate of complete registration with limited liability to such company.

"II. Any joint-stock company, except as aforesaid, completely registered under the said act of the eighth year of Her Majesty, and having a capital stock of the nominal amount of not less than twenty thousand pounds, may obtain a certificate of complete registration with limited liability, in manner and subject to the conditions following (that is to say):—The directors of such company may, with the consent of at least three-fourths in number and value of its shareholders present at any general meeting summoned for that purpose, make such alteration in the name, nominal value of shares, and deed of settlement of the company, as may be necessary for enabling it to comply with the conditions hereinbefore mentioned with respect to joint-stock companies seeking to obtain certificates of complete registration with limited liability; and upon compliance with such conditions, the registrar shall grant to such company, by its new name, a certificate of complete registration with limited liability, and thereupon all privileges and obligations hereby attached to companies with limited liability, their shareholders, directors, and officers, shall attach to the company named in such certificate, its shareholders, directors, and officers.

The position of the shareholders is stated to be:—

"VII. If any execution, either at law or in equity, shall have been issued against the property or effects of the company, and if there cannot be found sufficient whereon to levy such execution, then such execution may be issued against any of the shareholders to the extent of their shares respectively in the capital of the company not then paid up. Provided always, that no such execution shall issue against any shareholder except upon an order of the court in which the action, suit, or other proceeding shall have been brought or instituted, made upon motion in open court, after sufficient notice in writing to the person sought to be charged; and upon such motion such court may order execution to issue accordingly; and for the purpose of ascertaining the names of the shareholders, and the amount of capital remaining to be paid upon their respective shares, it shall be lawful for any person entitled to any such execution, at all reasonable times, to inspect the register of shareholders without fee."

There are some matters of detail in the bill, and a provision that companies may be wound up when three-fourths of the capital are lost.

The second measure is intended to alter a different class of rules governing partnerships at present, and applies to private partnerships as well as to public companies. The rule referred

to is that by which all persons who take the profits of a trade are held to be partners in it, as regards the creditors of the partnership, although in truth such persons are not partners, and have no power to interfere in the management, and are generally either lenders of money or servants to the concern.

As regards the case of lenders, the entire repeal of the usury laws has rendered this alteration less important than formerly ; but in the case of clerks and agents, whose diligence may be stimulated by a share of the gain to be acquired by their labours, the alteration is of greater moment.

The privilege now proposed to be given to lenders is, however, connected with some serious liabilities, the chief being, that in the event of the borrower becoming bankrupt, or otherwise failing, the lender with profits is postponed to other creditors, and liable to refund what he may have received the year preceding.

The following is the entire of the bill on this subject :—

II. No person who may hereafter, in manner authorised by this act, lend any money to any other person not being a banker, or to any partnership or company not being a banking partnership or company, shall be deemed to be a partner with the person or a member of the partnership or company borrowing such money by reason of his receiving or being entitled to receive a portion of the profits made by such person, partnership, or company so borrowing, or a sum varying according to the amount of such profits, either in lieu of or in addition to any interest for or on account of such loan, or by reason of any agreement to bear any portion of the loss which may be sustained by such person or partnership in any trade or business carried on by him or them.

III. A loan shall be deemed to have been made in manner authorised by this act whenever the following particulars in respect thereof have been registered at the office for the Registration of Joint Stock Companies in London, in cases where the borrower is resident in England, and at the office for the registration of joint-stock companies in Dublin, in cases where the borrower is resident in Ireland, that is to say :—The name, place of business, and description of the lender. The name, place of business, and description of the borrower. The amount of the loan. The proportion of profits, interest, or sum, varying according to the amount of profits, payable in respect of such loan. And if any material omission or misstatement is made in any of the above particulars, such loan shall be deemed not to have been made in manner authorised by this act.

IV. Whenever any variation is made in the amount of any registered loan, or in the amount of the profits, interest, or sum payable in respect thereof, or whenever such loan is renewed, such variation or renewal shall be deemed to constitute a new loan, and to require registration accordingly.

V. The following rules shall be observed with respect to the registration of loans :—1. The registrar shall provide proper books for the purpose of registering such loans as aforesaid, but all entries therein shall be in such form as may from time to time be directed by the lords of the committee of privy council for trade, hereinafter called the Board of Trade. 2. Before registering any loan, the registrar shall require the production of the instrument for securing or manifesting the same, and the profits, interests, or sum payable in respect thereof, or such other evidence of such loan as

he shall deem sufficient, and shall stamp the instruments so produced with the seal of his office. 3. In case of a loan or any part thereof being repaid, the registrar shall, on application being made to him, and proof shown of the fact, make an entry to that effect in the register book, specifying in such entry the date of the application; and the date so entered shall for the purposes of this act be considered the date of the repayment of the loan, or part of loan, as the case may be. 4. The registrar, if so required by the Board of Trade, shall in the case of loans registered in England, advertise in the *London Gazette*, and in the case of loans registered in Ireland advertise in the *Dublin Gazette*, the repayment of a loan or any part thereof, in such manner as the Board of Trade may direct. 5. There shall be charged in respect of the entry of any registered loan, or of any such variation or discharge as aforesaid, a fee of five shillings in cases where the loan does not exceed one hundred pounds, and a fee of ten shillings in cases where the loan exceeds one hundred pounds, or such other fees as may from time to time be directed by the Commissioners of Her Majesty's Treasury. 6. Every person may, on payment of a fee of one shilling, have access to the registry books of loans, for the purpose of inspection, at any reasonable time during the hours of official attendance of the registrar, and may require a copy or extract of any entry therein, to be certified by the registrar; and there shall be paid for such certified copy or extract a fee of one shilling, and a further fee not exceeding sixpence for each folio of such copy or extract beyond the first folio; and in all courts of law and equity, and elsewhere, every such copy or extract so certified shall be received in evidence without proof of the signature thereto, or of the seal of office affixed thereto.

VI. In the event of a borrower being adjudged a bankrupt, taking the benefit of the Insolvent Debtors' Act, or dying in insolvent circumstances, or if such borrower is a company in the event of its being declared bankrupt, or of an order being made for winding it up, a lender of a registered loan shall not be entitled to receive any portion of his principal, or of the profits, interests, or sum payable in respect of such loan, until the claims of the other creditors of the borrower have been satisfied, and in addition thereto he shall be liable to make good to the other creditors of the borrower any deficiency of assets to the extent of all sums of money or other benefit received by him during the year immediately preceding any such event as aforesaid, on account of the principal of such loan, or on account of the profits, interest, or sum payable in respect of the same, but the principal of such loan which shall have been repaid shall be deemed to have been repaid within such year, unless the date of repayment shall appear by the register to have been prior to the period of such year.

#### AGENTS.

VII. No person employed by any person, partnership, or company as agent, factor, servant, or in other like capacity, shall be deemed to be a partner by reason of his receiving, in lieu of or in addition to wages for his service, a portion of the profits made by such person or partnership, or a sum varying according to the amount of such profits.

VIII. This act shall not apply to Scotland.

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## Legal Miscellany.

IN RE SAMUEL MORITZ KROHN.

*Court of Bankruptcy, Basinghall-street, June 14.—(Before Mr.  
COMMISSIONER EVANS.)*

THIS was the last examination appointed in the case of Samuel Moritz Krohn, of Bread-street, Cheapside, merchant. The balance-sheet, which is furnished by Messrs. Harding and Pullein, contains the following heavy items, and extends from the 1st of January, 1853, to the 11th of January, 1855:—Creditors unsecured, £47,672; creditors holding security, £3,022; liabilities, £15,286; profits, £10,454; by debtors, good, £1,571; doubtful, £3,505; Krohn and Co., of Melbourne, £32,000; property, £1,086; property held by creditors, £2,730; bills receivable held by creditors, £3,162; partners' drawings, S. M. Krohn, £1,455; Martin A. Krohn £792; trade charges, £4,520; interest, £1,055; commission, £407; law costs, £97; losses, including bad debts, £2,297; deficiency, 1st of January, 1853, £3,573; liabilities, *per contra*, £15,286.

Mr. Linklater appeared for the assignees, and Mr. Lawrance appeared for the bankrupt.

The case was adjourned, further time being required to look through the accounts.

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## Reports of Joint-Stock Banks.

### BANK OF BRITISH NORTH AMERICA.

THE nineteenth general meeting of this corporation was held on the 5th of June, at the offices, No. 7, St. Helen's-place, Bishopsgate-street. There was a numerous attendance of shareholders, and the chair was filled by Mr. O. Farrer.

The chief clerk, Mr. M'Nab, read the advertisement convening the meeting, and next the following report:—

"The directors stated in their last annual report that the profits of the bank during the year ending 31st December, 1853, amounted to £100,650 17s. 10d., which they considered as affording satisfactory evidence 'of a general extension of the business of the bank in every department.' The statement of accounts for the year ending 30th December, 1854, upon which it is their duty now to report, presents an amount of net profits very nearly approaching that sum, say £99,691 17s. 2d., but in reality representing the result of still more extended business, attended, however, from the peculiar state of the North American trade, with an increased amount of doubtful assets, and requiring that, in addition to the sum written off for ascertained bad debts, a larger amount of reserve should be made to cover losses which may hereafter arise. Notwithstanding the deductions which they have thus deemed it prudent to make, the balance of undivided profit remaining in the hands of the bank on 30th December, 1854, after payment of the year's dividends, and the bonus declared at the last annual meeting, amounted to £140,041 7s. 2d., being an increase in the rest of £14,691 17s. 2d. over that of the previous year. Acting, therefore, on the principle they have heretofore avowed of increasing or reducing the distribution of profits, as the state of accounts from time to time may warrant, the directors have great satisfaction in stating that they are now prepared to appropriate, in addition to the dividend at the rate of 6 per cent. per annum, a portion of the undivided



profits, to the extent of £30,000, being 30s. per share, or 3 per cent. on the capital stock of the bank. It becomes now the painful duty of the directors to advert to the death of their late much-esteemed friend and secretary, Mr. Attwood: and they feel that this cannot be more appropriately done than by inserting in this report the very words of the minute in which this melancholy circumstance stands recorded in the proceedings:—'The Court met as usual on Tuesday, the 24th of April, and proceeded to the business of the day. The secretary had begun to read the minutes of the previous Court, when he was most suddenly arrested by the hand of death. In recording this very solemn and melancholy event, the Court would desire to express their deep sympathy with the bereaved family of Mr. Attwood, and the sincere regard which, collectively and individually, they entertained towards him. Mr. Attwood took part in the formation of this bank, having been one of the original committee, and subsequently, on the 21st of November, 1836, he was appointed secretary. During a period of nearly twenty years, he devoted himself most assiduously to the duties of the office, exhibiting in their discharge a singular equanimity of temper and the most strict truthfulness and integrity. In his unexpected removal from the midst of them, the directors feel that the institution has been deprived of the services of a valuable officer, and that they have lost the society of an esteemed personal friend.' The directors are strongly impressed with the conviction that the death of Mr. Attwood, under such peculiar circumstances, demands from the bank more than the expression of sympathy and regret. Mr. Attwood devoted his life and talents to the bank. The decease which removed him so suddenly from his family and from the bank had for years rendered it impossible for him to provide for his bereaved widow and children by life insurance, which, under feelings of deep anxiety for them, he had frequently attempted in vain, and they are now without the means of support. The directors have, therefore, determined to make this a special and exceptional case, and to recommend that out of the balance of undivided profits a sum of £2,000 should be granted for their benefit, and applied in such manner as, after consultation with the friends of the family, the directors may deem best for their interests."

The Chairman rose to move the adoption of the report. The report which the shareholders had just heard read contained two statements of a very different character. The one was highly satisfactory, and matter for congratulation, the other was of a nature which must excite the deepest regret and sympathy in the breast of every one who heard him. (Hear.) He could have been well pleased, indeed, if any other of his brethren had filled the chair upon this occasion, because he was perfectly convinced that they would have brought the matters to which he had to refer more effectually and more lucidly and clearly before the meeting. (Hear.) But when his respected colleagues expressed their wish that he should take the chair, he could not think it his place, because it was not his duty, to refuse to accede to their suggestion. He felt the less reluctant to take upon himself this office, when he knew that any deficiencies of his own would be supplied by others around him. He began, then, with that which was very satisfactory to him, namely, to bring before the shareholders very shortly the position, progress, and prospects of their establishment; and he thought he might say that, from its formation to this time, the affairs of the company had never been in a more healthy and satisfactory condition. The shareholders would, perhaps, have observed that the net profits of the by-gone year were something like £1,000 less than they were for the year before. But he would beg to call to their remembrance the fact that the year before was what he called a go-a-headlong year, when trade was in great excess, and that such years were generally followed by a reaction and by a diminution

of business. But it had not really been so in this case; for, in point of fact, their business last year was more than it had been the year before, and the profits would have been considerably more if the directors had not thought it fit, as prudent men, looking to the state of trade in Canada, and the money pressure in New York, as collaterally affecting in some degree the trade in Canada, to lay by a larger amount to the indemnity fund; for it would be a short-sighted policy to show a larger amount of profit this year, which might be cut down in the next. (Hear, hear.) He did not wish the shareholders to understand that the directors expected heavy losses, but it must be apparent to every one, that, with such extensions as the bank had in every part of the colony, it was impossible that such extent of business could be carried on for a length of time without some losses (hear, hear); and he would without hesitation state that they had at the present moment a larger amount of unpaid bills than they had at this time last year, and though provision had been made to meet any possible loss from this source by placing a large amount to the indemnity fund, they nevertheless showed a profit of £99,000; and he would beg to draw the attention of the shareholders for the moment to the three last years' business, beginning with the year 1852. Their profits were then about £69,000, and that was considered a good year, and the directors were then enabled to pay to the shareholders a dividend of 6 per cent. Then they came to the year 1853, and in that year they made profits amounting to more than £100,000. That was an enormous extent of profit; and that was the go-along year, and they might naturally have felt that the next year there would be a corresponding great extent of trade, but it was not so. After all, the net profit of the year 1854—after deduction of all current charges, and providing for bad and doubtful debts, they still had £99,691 17s. 2d., so that really the profit for this year of the bank had gone on progressing. It was also satisfactory to find that they had been enabled not only to pay the dividend, but that last year they gave to the shareholders a bonus of 25s. per share, and yet they found the rest increased after those payments, instead of being diminished. The directors proposed this year to give to the shareholders a larger bonus of 30s., still having at the end of the year a larger rest than they had after the payment of the dividend in the previous year. In the beginning of the year 1853, making up their accounts to the last day of December, from the 1st of January, 1852, the amount of rest was £84,698, and out of that they had paid their dividends. In the next year, the amount of rest was £125,000, and out of that they had paid the dividends and the bonus, and the amount of undivided profit, after making these deductions, was £140,000, so that they had now in hand sufficient to pay the two dividends this year and the bonus, and afterwards leave a rest in hand of upwards of £50,000. He thought that that was a position which everybody must think satisfactory. (Cheers.) And he must here express his earnest hope that the shareholders would always encourage the directors to keep up this reserve; for let it be remembered that they had not in this bank what was commonly called a guarantee fund; therefore they looked only to the reserve, after the payment of dividends, and he hoped to see the bank under that principle going on gradually and prosperously. (Hear.) He hoped that the shareholders would urge upon the directors, if that were necessary, though he did not believe it would be—but he would say, to encourage the directors always to have in hand a full year's dividend, and a considerable surplus. In that case, he would say the bank must be in a wholesome condition, and such a system of action would give a permanency to the dividend, because, if unfortunately they should sustain a trifling loss, that fact would not necessarily diminish the dividend. His last advice to the company was to keep up the reserve to a large amount. He did not know that he need say much more, but he

must say this much, that as far as this year was concerned the business of the bank, as far as they had advices, had, to a small extent, increased in every respect; but he could not say that throughout the whole year it would continue to be so. But it was at least satisfactory to know that things were progressing; and, looking to the improvements which were making in Canada, the extent of railways, which must ultimately be productive of the greatest possible benefit to the colony, and looking generally to the mighty progress going on in the colony, he thought they might be proud of having been the formers and founders of this establishment. (Cheers). He wished he could have stopped here, but it was his painful duty to advert to the loss which the establishment had sustained in the person of the late Mr. Attwood, their late secretary. (Hear, hear.) He assured the shareholders that a greater loss they could not have sustained—a more excellent man, a more talented secretary, or a more indefatigable, zealous creature than his poor friend never existed. The hon. gentleman described in very powerful language the circumstances under which Mr. Attwood died. It appeared that he was acting in his capacity as secretary at a meeting of the Court, and that, whilst in the act of reading the minutes of a preceding Court, he was struck with death, being at the time in apparent good health. The directors felt they would have been unworthy of being the representatives of the shareholders, if they had stopped at making a minute recording the melancholy circumstances of the death of Mr. Attwood. The widow was left with six children, two of whom were afflicted in such a way that there was no hope of their ever doing any thing for themselves; and the widow and children were left unprovided for. Hence arose the suggestion for the grant of a sum of £2,000 for the widow.

A Proprietor said, if it met with the wish of the proprietors generally, he should propose to add another £1,000.

The Chairman explained the delicate position in which the directors were placed; they were afraid of saying too much or of saying too little.

The Chairman moved that the report be received and adopted.

Admiral Kelly begged to ask what was the amount which was laid aside to meet the probable amount of bad debts?

The Chairman replied that this year it was £13,000 or £14,000.

Mr. Borradaile thought the chairman had dwelt too much on the fact of there being £99,000 profit, as against £100,000 in the former year: but it was to be borne in mind that a sum had been provided against contingencies, amounting to £13,000 or £14,000.

After some further conversation, the report was agreed to.

A resolution was proposed, to the effect that the directors be authorised to apply the sum of £2,000 out of the balance of undivided profits, for the benefit of the late Mr. Attwood's family, in such manner as they shall deem best, which was carried with acclamation.

Mr. Barnewall, to avoid any misconception, explained that their undivided net profit at the end of the year was £140,000; if from that amount they took the dividend and bonus payable in July, £60,000, that would reduce it to £80,000. If they then took the dividend payable next December, say £30,000, that would reduce the amount to £50,000. They had £80,000 after paying the present dividend. The retiring directors were severally re-elected. After votes of thanks, the meeting separated.

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#### SOUTH AUSTRALIAN BANKING COMPANY.

On 19th June, the fourteenth annual general meeting of this company was held at their offices, 54, Old Broad-street, Mr. E. Divett, M.P., chairman of the board of directors, presiding.

Mr. W. Purdy, the manager, read the report, which was as follows :—

The court of directors have the satisfaction of assuring the proprietors of the continued success of the company, and of the prosperity of South Australia. The assets of the bank have been most carefully scrutinised in accordance with the invariable policy of the court, and they believe that every bad or doubtful debt of the past year has been written off. The business conducted has been both extensive and profitable, and in submitting the general profit and loss account for the year ending 28th May last, the court with great confidence state that a moderate view of the profits has been adopted. The amounts are as follows :—

Balance of undivided profits, on 29th May, 1854	...	...	£49,479	12	1
Appropriated to reserve fund	...	...	4,948	0	0
			£44,531	12	1
Profits at Adelaide and London for 1854-55, after every deduction for losses, expenses, &c.,	...	...	46,875	17	2
			£91,407	9	3
From which subtract :—					
Dividend for July, 1854,	...	...	£19,473	3	11
Ditto, January, 1855	...	...	19,765	12	0
Income tax	...	...	1,820	15	2
			41,059	11	1
			£50,347	18	2

In appropriating this amount, there will be the usual 10 per cent. to carry to the reserved fund, which will equal £5,035; and the court recommend that, from the residue, a dividend of 14 per cent. on the paid up capital be paid, clear of income tax, as in former years. The company's accounts have been duly audited, and the annual balance-sheet, made up in the colony to November 27, 1854, and in London to May 28 last, is as follows :—

LIABILITIES.					
Circulation	...	...	£139,923	0	0
Deposits and current accounts	...	...	635,960	7	4
Debts due to colonial banks, and other liabilities	...	...	11,665	1	2
Bills payable	...	...	8,980	2	6
Dividends not applied for	...	...	1,644	6	10
Capital paid up	...	...	288,800	0	0
Reserved fund	...	...	40,344	10	10
Profit and loss	...	...	45,312	18	2
			£1,172,630	6	10
ASSETS.					
Coin and bullion	...	...	£660,833	1	1
Bills receivable and securities	...	...	433,209	11	2
Debts due from colonial banks and other assets	...	...	32,462	12	9
Open policies, &c.	...	...	3,552	2	1
Bank premises and furniture	...	...	7,186	8	0
Investment for reserved fund	...	...	35,366	11	9
			£1,172,630	6	10

The court have to inform the proprietors that in consequence of the decease of their late much respected colleague, Mr. John Brown, a vacancy has occurred in the direction, and they have great pleasure in recommending Mr. William Grant, to the office; his knowledge of the bank's affairs, and his own private pursuits, particularly qualifying him for the promotion of the company's interest. Should this election be made, a vacancy will be occasioned in the auditorship, for which Mr. Jonah Smith Wells, is a candidate; and the court trust he will be elected accordingly.

Mr. Edward Stephens having during the past year resigned the management of the bank in Adelaide, the court have, with much regret, accepted the same. They would record their acknowledgments of his lengthened and useful labours, which have been instrumental in not only securing prosperity to the shareholders, but in raising the bank to a position of public importance. Believing that Mr. George Tinline has, by his eminent services and banking experience, fully entitled himself to the vacant office, the court have appointed him colonial manager, as the most suitable representative the company can have in South Australia. He has recently sailed for Adelaide. The local board, whose judgment has greatly aided the steady policy of the bank, will, it is hoped, continue to afford Mr. Tinline their valuable assistance. Mr. E. J. S. Trimmer, having left the colony, has ceased to be a member of the board; and his retirement has been much regretted from the value of his connections and the confidence in which he was held.

In compliance with the strongly expressed wishes of the shareholders at the last annual meeting, the court have allotted the unappropriated shares to those proprietors who participated in the previous issue. The capital of the company, as arranged with Her Majesty's Treasurer, will be, by this measure, completed. The premiums obtained will add £3,707 to the reserve fund, which will be increased with the additions this year from the profits, and the interest on the investments on this account, to £44,051 10s. 10d.

Identified as the company is with South Australia, it is gratifying to the court to watch its sound progress in financial and commercial prosperity. New undertakings for the employment of capital are being developed; the means of internal communication improved; agricultural and pastoral pursuits, and mining, increased. It will be alike the duty and pleasure of the court to conduct the bank on such sound principles as shall be equally conducive to the promotion of these important enterprises, and of the general interests of the company.

(Signed) EDWARD DIVETT, Chairman,  
WILLIAM PURDY, Manager.

The chairman, after making some introductory remarks, moved the adoption of the report.

Admiral Meynell, in seconding the motion, said that all the proprietors must feel grateful to the chairman and directors for the care they had shown and the judgment they had displayed in the management of their affairs.

The chairman having intimated his readiness to give any explanations that might be required,

Mr. Wells observed that, in making up the balance-sheet, all doubtful debts had been struck off, and asked an explanation of that proceeding.

The chairman replied that instructions were sent to Australia through a desire that credit only should be taken for the sums actually received. He had the satisfaction of stating that, since the adoption of that course, they had realised many thousand pounds which had been marked off as uncertain or doubtful.

Mr. Wheeler wished to know whether the proprietors were to understand that the whole of the unappropriated shares had been allotted, and that none were left?

The chairman said such was the case.

Mr. Wheeler inquired at what price they had been allotted?

The chairman said that about three years ago they applied to the Treasury to enable them to increase the capital to the extent of £100,000, and that was done by the issue of shares pro rata to all existing proprietors at par. Some of the proprietors did not take those shares, and the result was that about 1,000 shares remained unissued. Immediately after, the shares went up to a high premium, considerably above their present value, and as they could not give every shareholder a portion of them, they issued them at a high premium, by which a large sum was added to the reserve. They were issued at 47, and by that proceeding the proprietors who did not receive any of the shares were better off than those who had received them, because a change took place in the money market, and the price was now considerably below 47. They had issued 937 shares at 47, and with the exception of four or five shares, they had allotted the remainder at a price that would give a fair average to the purchasers, according to the market price of the day. They had by those means added an additional sum of £3,700 to the reserved fund. They had issued the shares at 36, and as the original price was 47, the average price varied from 40 to 41 or 42.

In reply to another proprietor,—

The chairman explained that it was necessary to keep a large amount of bullion in the colony, in consequence of the nature of the deposits lodged in the bank.

The report was then adopted,—

Mr. Richards moved the following resolution :—"That the recommendation of the directors to declare for the ensuing year a dividend (clear of income tax) of 14 per cent. per annum on the paid-up capital be adopted, and that the court be authorised to pay the same half-yearly, as heretofore."

Mr. Grant seconded the resolution, which was unanimously agreed to.

Mr. John Wheelton and Mr. John Bazley White were re-elected directors, and Mr. Charles Chippendale was re-elected auditor. Mr. William Grant was elected a director in the place of Mr. John Brown, deceased; and Mr. Jonah Smith Wells was elected an auditor, vacant by the appointment of Mr. Grant to a seat in the direction.

A resolution was adopted, doubling the remuneration allowed to the auditors.

A vote of thanks having been unanimously awarded to the directors,—

The chairman said, the members of the board would do their best to continue to deserve the confidence of the shareholders for the future. He did not think he should be doing his duty if he did not propose a vote of thanks to Mr. Purdy and to the local directors. No man could have displayed more talent and energy than Mr. Purdy had done in the management of the affairs of the company during the last year, more particularly in reference to negotiations of a very difficult character which had been transacted.

The resolution, having been seconded, was agreed to.

Mr. Purdy thanked the shareholders, and assured them that his best exertions should always be directed towards securing the company's interest. He was most ably supported in the discharge of his duties by the confidence of the directors, who were always desirous of protecting the interests of the shareholders.

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## ORIENTAL BANK CORPORATION.

THE annual meeting of the proprietors of the Oriental Bank Corporation was held at the bank premises, Walbrook, on the 26th of May, Mr. H. G. Gordon in the chair, when the following report, announcing a dividend at the rate of 10 per cent., free from income tax, was unanimously adopted:—

"The directors have the pleasure of presenting to the proprietors the annual report of their proceedings for the year 1854. The accounts laid before the meeting comprise the transactions of the corporation to the 31st of December, 1854, and have been duly audited. The aggregate amount of profit realised at that date is shown, by the annexed statement, to be £98,719 10s. 3d., from which a dividend of £1 5s. per share for the half-year ended 30th June, was paid on the 1st December last, and it is now the intention of the directors to declare a like dividend (free of income tax) for the subsequent half-year ended 31st December, the same to be payable on and after the 1st proximo. Although the result of their operations for the past year does not show so large a rate of profit as on the previous year, and will not permit of a bonus on this occasion, yet, taking into account the circumstances of the period in question, the breaking out of war in Europe, and the disorganised state of the Chinese empire, together with the high rates of interest prevailing in England, and unfavourable exchanges in India, the directors think it a subject of congratulation that they have been able not only to escape any serious losses from the depressed state of commerce, but to pay a dividend from profits at the rate of 10 per cent. per annum on the capital stock of the company. That such a result has been attained is, in a great measure, owing to the precaution early taken by the board, in the restriction of credit and other commercial facilities, and in the limitation of all business within a narrow compass—a course of proceeding which, while it may have lessened the profits, on the other hand has led to the probable avoidance of considerable loss. Another important benefit incidental to this policy has been the husbanding of resources, thereby enabling the corporation to take advantage of the re-action that has since ensued, and to re-extend their operations in such a manner, as not only to afford hopes of a profitable result on the current business, but also greatly to assist the mercantile interests abroad at a most critical period. In accordance with the resolutions passed at two successive special general meetings held on the 1st July and 10th August, 1854, respectively, a further issue of new shares was made on the 24th August, 1854, and the same were allotted to the proprietors then registered in the books of the company, at the rate of one new share for every three old shares respectively held by them. The number of new shares so allotted was 12,579, and the number taken up is 12,511; 68, consisting chiefly of thirds, having been allowed to lapse. The amount paid on new shares at the 31st December, in anticipation, was £136,785, making the total capital at that date £1,080,235, only £943,450 of which being entitled to participate in the present dividend. The reserved surplus fund amounted, on the 31st December, to £225,415, and is all invested in Government securities. The auditors, Mr. T. A. Gibb and Mr. W. H. Hughes, whose term of office now expires, again offer themselves to the shareholders for re-election. The three directors who retire from office on the present occasion are Mr. Mackenzie, Mr. Binny, and Sir George Bonham (one only, in terms of the charter, being immediately re-eligible); and the following gentlemen having offered themselves to fill the vacant seats, the Court have much pleasure in recommending them to

their co-proprietors for re-election:—Lieut.-General Peter De la Motte, C.B.; Mr. P. F. Robertson, M.P.; and Mr. W. S. Binny."

The Chairman, after apologising for indisposition, which he feared would scarcely permit him to do justice to the few observations it was necessary to make on this occasion, proceeded to describe the difficulties of the period through which the Oriental Bank, like all similar establishments, had had to struggle. The embarrassments of the past year were patent to all, and they were only to be compared with those which had occurred in 1847. (Hear, hear.) Everything had been against them in all quarters of the globe—dear money in London; cheap money in India, with unfavourable exchanges; China shaken to its centre, through internal rebellion; and Australia, who was only now just emerging from her disasters, paralysed by an excess of mercantile adventure. In addition to this, there had been the exercise of the necessary caution, owing to the prejudicial influence of the war; and it was, therefore, rather surprising, not that profits had diminished, but that they had been enabled to realise a dividend at the rate of 10 per cent. from the legitimate return of their operations. (Hear.) From profits alone, however, he was happy to state that this distribution would be made, and if, under such circumstances, the year 1854 had not proved as satisfactory as could be wished, it was gratifying to perceive that the opening of 1855 was more cheering and encouraging. (Hear, hear.) Allusion had, in some quarters, been made to a loss sustained by the bank through the negligence of one of their clerks, in not giving proper notice to the insurance brokers of gold shipped by two vessels, the *Essex* and the *Madagascar*, from Australia. The amount was £24,000, and it had occurred some two or three months after the last annual meeting. The individual in question, whose character till this unfortunate transaction was wholly unimpeachable, had deceived the directors with regard to the steps he had taken to render their legal position secure; and, having committed an error in this respect, he prepared a forged letter, not with the view of deriving pecuniary benefit, but to prevent the discovery of his original mistake. This revelation led to his dismissal, and proceedings had been taken against him, but it was found that, in a criminal sense, they would be unavailing. It was, however, yet hoped that a proportion of the loss would be recovered from him. Meanwhile, the whole has been written off, the directors being in a situation, through the amount of their "replacement fund," accruing from the improved value of premises at branches and agencies, to effect its liquidation, and have a large balance for other contingencies. (Cheers.)

In answer to questions, it was mentioned that the profits of the year, after the payment of dividends, left a small balance to be carried forward. With regard to the reserve fund, its application was confined to the equalisation of dividends, and it was not necessary to trench upon it for other purposes. The securities of the clerk who had committed this error were liable, but not to the extent of the entire loss. The publication of the report and accounts previously to the meeting was not conformable with the terms of the charter; but the directors promised that they would endeavour to accommodate the wishes of the proprietors in this respect. (Hear, hear.)

The dividend having been declared, and the directors and the auditors having been re-elected, thanks were voted to the chairman, his colleagues, and the general officers of the bank.

The Chairman, in acknowledging the compliment, said that the directors hoped, at the next meeting, to receive the shareholders in more convenient premises, they having effected an arrangement for a portion of the old South Sea House, on terms which would leave them at little more than a nominal rent. (Hear, hear.)



*General Statement and Balance-Sheet of the Oriental Bank Corporation, for the year ending 31st December, 1845.*

## LIABILITIES.

To Promissory notes in circulation not bearing interest	£107,255	15	0
Bills of exchange in circulation not bearing interest ..	1,892,024	12	1
Balances due to other banks ... ..	261,446	5	1
Cash deposits not bearing interest ... ..	205,417	6	11
To cash deposits bearing interest ... ..	1,612,737	18	6
<b>Total due to the public ... ..</b>	<b>£4,978,891</b>	<b>17</b>	<b>7</b>
To capital paid up on which dividends are now payable ... ..	£943,450	0	0
Paid on new shares in anticipation 138,785	0	0	0
<b>Reserved surplus fund ... ..</b>	<b>£1,080,235</b>	<b>0</b>	<b>0</b>
<b>Dividends remaining unpaid ... ..</b>	<b>226,415</b>	<b>0</b>	<b>0</b>
<b>Balance of profit and loss after defraying all current charges ... ..</b>	<b>11,159</b>	<b>19</b>	<b>1</b>
<b>Due to shareholders ... ..</b>	<b>£9,547</b>	<b>0</b>	<b>3</b>
	<b>1,366,856</b>	<b>19</b>	<b>4</b>
	<b>£5,445,238</b>	<b>16</b>	<b>11</b>

## ASSETS.

By coin and bullion ... ..	£1,146,529	9	0
Balances due from other banks ... ..	152,191	3	0
Promissory notes and bills of other banks ... ..	60,769	0	0
	1,359,429	12	0
By Government securities ... ..	1,088,637	18	6
Landed or other property of the Corporation ... ..	68,266	1	5
Debts secured by landed or other property ... ..	10,505	6	6
Notes and bills discounted, or other debts due to the Corporation, not included under the foregoing heads, and exclusive of debts written off as bad ... ..	2,918,399	18	6
	<b>£5,445,238</b>	<b>16</b>	<b>11</b>

## Profit and Loss Account.

## LIABILITIES.

To amount paid as dividend for the half-year ending 30th June ... ..	£47,172	10	0
Balance of profit as above ... ..	49,547	0	3
	<b>£96,719</b>	<b>10</b>	<b>3</b>

## ASSETS.

By amount of net profit at 30th December, 1854, after defraying all charges and income tax ... ..	£96,719	10	3
	<b>£96,719</b>	<b>10</b>	<b>3</b>

IONIAN BANK.

A Meeting of the Ionian Bank took place on the 31st of May, Mr. O. Farrer in the chair, when a dividend at the rate of 5 per cent. per annum was declared, the report being received as satisfactory. Although the financial affairs of the locality in which operations are concentrated have not greatly improved, owing to the protracted visitation of currant blight, the establishment has made no fresh losses. The following is the statement presented :—

"The account the directors have to submit of operations for the year 1854 requires little to be added in the way of comment or explanation. Notwithstanding the continuance of the severe pressure occasioned by the recurrence of the blight, the credit and position of the establishment remain unimpaired. The court regret to state that symptoms of the disease have again shown themselves, but there is reason to hope that its effects will at least be mitigated, and that in this, as in analogous cases, the virulence of the malady will henceforth gradually abate. It is also reasonable to anticipate that in that case the present temporary prostration will be succeeded by a period of steady prosperity. The resources of the bank have been carefully husbanded, and, although the business has necessarily been contracted, and the realisation of outstanding accounts retarded by the adverse causes above adverted to, it is a fair subject for congratulation that ascertained losses have been met, and due provision has been made for contingencies, without affecting the dividend, and with a moderate addition to the reserve. The statement for the year ending the 31st of December, 1854, is as follows :—

The balance to the credit of profit and loss on the 1st of January, 1854, was	...	...	...	...	£7,638	4	7
The net profit for the year, after deducting charges and losses, and making further provision for doubtful debts, is					8,241	6	6
Together	...	...	...	...	£15,879	11	3
From which is to be deducted two half-yearly dividends at the rate of 5 per cent. per annum	...	...	...		7,500	0	0
Leaving	...	...	...	...	£8,379	11	3
to the credit of profit and loss on the 1st of January, 1855.							

LONDON CHARTERED BANK OF AUSTRALIA.

The ordinary general meeting of this bank was held at the London Tavern on the 22nd of June, Mr. Duncan Dunbar, the chairman, presiding.

The secretary, Mr. Bell, read the following report :—

"The directors have now the pleasure of presenting their third report to the shareholders, and in doing so are able to congratulate them on the position which the corporation continues to hold in the colonies. In the report submitted to the shareholders at the last annual meeting, on the 23rd of June, 1854, they were apprised of the progress made in the Melbourne and Sydney branches, as well as of the establishment of a branch at Geelong. Since that period, it is well known to the proprietors that considerable fluctuation has taken place in the commercial affairs of the Australian colonies, especially of Victoria, where the unusually rapid advance of prosperity,

consequent on the gold discoveries, led to an excessive amount of over-trading and general speculation. The reaction from this produced, as might be expected, disastrous effects among that portion of the community who had entered into large adventures without the capital necessary to support them on the occurrence of a crisis, and numerous failures have taken place. The effects of such a check on the general prosperity of the colony have been felt by this, as well as by other establishments, in the restriction of the field for banking operations; and your directors have naturally had some anxiety as to the state of your affairs there, even while they were confident that the instructions sent out for the guidance of their inspector and managers would be faithfully executed. They have, however, the satisfaction of stating that the last accounts from the colonies represent a better condition of commercial affairs, while the letters from the company's officers, to 22nd March last, assure the court that no apprehension need be entertained of losses to any serious amount. The accounts now laid before the meeting, and which have been previously sent to each proprietor, show the state of the bank on the 31st December, 1854. The abstract of profit and loss account to the 30th June, 1854, submitted to the proprietors on the 24th November last, showed a balance at the credit of the bank of ... .. £24,881 1 8

From this was deducted proportion of preliminary expenses,  
£1,403 9s. 11d.; amount carried to reserve fund, £1,500;  
dividend of 3 per cent., £15,000; together ... .. 17,903 9 11

Leaving a balance of ... .. 6,977 11 9  
carried forward to next half-year.

Add to this, amount of profit in London and colonies to 31st  
December last ... .. 14,787 14 2

Making ... .. 21,765 5 11

From this the directors have deducted, in further liquidation  
of preliminary expenses, the sum of £1,403 9s. 11d.; car-  
ried to reserve fund, £1,000; and now recommend a divi-  
dend to be paid of 2 per cent. for the half-year ending the  
31st December, free of income tax, viz., £10,000; toge-  
ther ... .. 12,403 9 11

Leaving a balance of ... .. £9,361 16 0

to be carried over for meeting such contingencies as may from time to time arise, together with the reserve fund of £3,500. Your directors trust that this corporation, which stands high in the estimation of the public, both here and in Australia, will share in the returning prosperity of the colonies. Some of the newly-established banks, however, have decided on allowing interest on deposits, which, if generally adopted, must necessarily militate against profits. The proprietors are aware that, at the extraordinary general meeting held on the 23rd November last, a resolution was passed to increase the capital of the corporation from £500,000 to £700,000 by the issue of 10,000 new shares of £20 each, and the directors are now enabled to state that the first instalment of £5 per share on this new capital, which became payable on the 1st January last, has been entirely paid up, with the exception of a small sum to be received from the colonies. The directors and auditors now go out of office; but, being eligible for re-election, offer themselves accordingly."

**LONDON CHARTERED BANK OF AUSTRALIA BALANCE-SHEET,  
31ST OF DECEMBER, 1854.**

LIABILITIES.			
Notes in circulation	...	...	£130,162 0 0
Bills payable, and other liabilities	...	...	167,838 4 9
Deposits	...	...	257,684 16 9
Total due to the public			555,705 1 6
Capital—			
Original capital paid up	...	£500,000 0 0	
Second capital paid up	...	18,560 0 0	
			518,560 0 0
Reserve fund	...	...	2,500 0 0
Profit and loss—			
Balance at the 30th of June, per last statement	...	6,977 11 9	
Add amount of profits in London and in the colonies for half-year ending 31st of December, 1854	...	£14,767 14 2	
Deduct—			
7½ per cent. off £7,749 13s. 4d. preliminary expenses	£581 4 4		
25 per cent. off £3,289 2s. 6d. expense of re-mitting capital to colonies	£822 5 7		
			1,403 9 11
			13,384 4 3
			20,361 16 0
			£1,097,126 17 6
ASSETS.			
Coin and bullion	...	£248,800 11 9	
Balances due by other banks	...	21,735 2 4	
			270,535 14 1
Bills receivable, and other securities	...		780,885 18 5
Freehold, leasehold, and other property of the corporation	...		33,144 18 7
Open policies	...		5,324 10 10
Stamps	...		407 9 6
Preliminary expenses—			
Head office	...	2,325 3 8	
Melbourne branch	...	1,776 16 8	
Sydney branch	...	1,854 17 0	
Geelong branch	...	871 8 9	
			6,828 6 1
			£1,097,126 17 6

The Chairman, in moving the adoption of the report, said, after paying a dividend of 2 per cent., there would be a balance to carry over of £9,361. Some might think they ought to diminish the amount of that balance, and give a dividend of 3 per cent., but they considered they ought to be prepared for any contingency which might arise, though they had received the most positive assurances that the losses of the bank would be exceedingly small, taking in view the extent of their business. In Victoria, where their largest operations were carried on, the managers said it was their opinion that the bad debts would very little exceed £1,000. (Cheers.) There were, however, large outstanding accounts; and though the prosperity of the colony was returning, and though they believed they had ample security at present to meet everything that might come upon them, yet, as prudent men, they thought it advisable to carry the £9,361 to the credit of profit and loss, and he hoped by doing so they would be enabled largely to increase the dividend next year. (Hear, hear.)

In reply to a shareholder—

The Chairman said the preliminary expenses were £7,700, and the expenses of remitting capital to the colony £3,300, making a total of £11,000, of which about £4,200 had been paid, and there yet remained to be paid off a sum of £6,800.

Mr. Coxhead was disappointed with the smallness of the dividend, when the Bank of Australasia had just declared a dividend of 20 per cent., and the Bank of South Australia a dividend of 14 per cent. But he did not quarrel with the directors on this account, for they had, no doubt, acted prudently in not advising the payment of a larger sum, and he was inclined to think that very high dividends frequently ended in "death in the pot." The proprietor then asked a variety of questions, which were answered by the chairman.

The Chairman said, the £20,000 profit was a *bona fide* item, with the exception of what losses might occur, and they had only yet heard of £1,000 in Victoria. He had nothing to conceal from any of the shareholders, and, as far as he was individually concerned, he might state that he not only held the largest number of shares in the concern, but felt that his reputation was at stake in the bank. They had not discounted a single bill in this country, because they could not do so under their charter, neither had they made advances upon shipments to the colonies, or granted loans to persons in this country, that not forming part of their business.

Mr. Wilcox seconded the motion. Considering that the bank was in an infant state, and that Australia had recently undergone a severe commercial crisis, he thought the report was, on the whole, satisfactory. (Hear, hear.)

The Chairman reminded the meeting that one of the banks mentioned by Mr. Coxhead had been in existence 20 years, and the other 14 years, and that they had enjoyed all the advantages arising from the first discovery of gold, when considerable sums were made by them, not so much by ordinary banking business, as in buying large quantities of that valuable metal.

The report was then adopted, and a dividend of 2 per cent. for the half-year declared, free of income tax.

The retiring directors were re-elected, as well as the other officers, and the proceedings terminated with a vote of thanks to the directors in London, and the directors and managers in the colony, for their conduct during the past year.

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BANK OF AUSTRALASIA.

THE annual general meeting of the proprietors of this corporation was held in their new premises, Threadneedle-street, on the 18th of June, for the purpose of receiving the annual report, and electing three directors in the room of those going out by rotation, Mr. Oliver Farrer in the chair.

Mr. William Milligan, the secretary, read the report, of which the following are the material portions:—

"The result of the business of the bank in the Australian colonies, and in London, for the financial year ended 16th October, 1854, was as follows: Balance at the credit of profit and loss, 10th October, 1853, as per last report, £109,892 19s. 8d.; net profit in the year, to 16th October, 1854, after providing for bad and doubtful debts, &c., £231,853 18s. 6d.; together, £341,746 18s. 2d. Divided among the proprietors, including bonuses:—At April, 1854, £3 10s. per share, being at the rate of 17½ per cent. per annum, £78,750; at October, 1854, £3 10s. per share, as above, £78,750; together, £157,500; balance at credit of profit and loss, 16th October, 1854, £184,246 18s. 2d. Out of which have been paid the April dividend and bonus for the current year, amounting together to £90,000, being at the rate of 20 per cent. per annum. The assets and liabilities at 16th October, 1854, stood as follows:—Assets: gold, Government securities, and cash, £2,106,827 17s. 6d.; bank premises, £68,964 14s. 10d.; bills receivable, and other securities, £4,769,078 0s. 10d.; total, 6,964,870 13s. 2d. Liabilities: capital, £900,000; guarantee fund, £200,000; circulation, £1,129,050; bills payable, and other liabilities, £1,179,744 14s. 8d.; deposits, £3,371,829 0s. 4d.; profit and loss, £184,246 18s. 2d.; total £6,964,870 13s. 2d. These results justify the confidence expressed at the last meeting in the continued prosperity of the bank. But the directors have to report that, in the latter part of the year, embraced by these accounts, the glutted state of the market had led to a serious derangement of commercial affairs. They are glad, however, to state, that recent advices convey the assurance that the pressure had diminished, and that symptoms of improvement were perceptible. The effects of this reaction upon the operations of the bank have been less serious than might have been anticipated. At the same time, looking to the extent of the business, it must be manifest that such a crisis could not occur without being attended with some loss. The estimate formed of the amount by the colonial officers is moderate, and has been amply provided for out of the profits of the year. Although trade has suffered by this temporary depression, the elements upon which the permanent prosperity of the Australian colonies is based have been further developed. New gold fields have been explored, the growth of wool and corn has been increased, and the labour market has been more abundantly supplied; while the application of capital to works of local enterprise, together with the greater attention bestowed on objects of internal improvement, afford most satisfactory indications of the general progress of the country. Branches have been established during the year at Ballarat, Castlemaine, and Warrnambool, which the directors hope will prove conducive to the interests of the corporation. The directors have availed themselves of the opportunity afforded by the large profits derived from this year's operations, to set apart a sum to meet a portion of the expenditure incurred in bank premises, both in London and Australia. In conformity with the announcement made at the December meeting, a dividend and bonus were paid for the half year ended the 10th April, at the augmented rate of 20 per cent. per annum; and a similar division will be made on the 16th October next."

The Chairman in moving the adoption of the report, said he had to offer the sincere congratulations of the directors on being assembled for the first time in their new premises, the position of which could not be excelled in London. (Hear, hear.) He thought whoever would look into the report would feel satisfied that their bank was in a wholesome, prosperous, and good condition. (Hear, hear.) It would be observed that the exact amount of profit was not so large as it was last year; but he was sure that no person who was at all conversant with Australian colonies would feel any surprise at that, looking to the glutted state of the markets in the latter part of the year embraced by the accounts. The directors had thought it wise and prudent to take off the large profits of the year a certain sum to meet any anticipated loss from that cause, and also to answer the expense of erecting their new premises and bank buildings in various parts of the colony; and, after having done all that, they showed a balance of profit on the year of upwards of £230,000. (Cheers.) They were told from the colonies that to a considerable extent the derangement of commercial affairs there was passing away; but it would take some length of time before things could entirely right themselves. Agriculture was improving in the colony, the madness of the gold speculation was diminishing, and the people were settling down to their ordinary and laudable pursuits, including the formation of railways, the opening of rivers, and sheep farming. The storm was passing away, and he had no doubt the result would be, that the affairs of the bank would be left in a more wholesome and prosperous condition than they were before. They had a guarantee fund of £200,000, and they had at October last a balance of profit and loss of one whole year's dividends, paying at the rate of 20 per cent. (Hear, hear.) He hoped they would always persist in the determination to have at the October balance a whole year's dividend prospectively in hand. (Cheers.) It would be greatly to the advantage of the shareholders, and would enhance their property to a very considerable extent. He thought a dividend of 20 per cent. ought to satisfy the most rapacious appetite. (Cheers.)

Mr. Serjeant Gaselee expressed his entire satisfaction with the report, and he hoped that the dividend of 20 per cent. would last for ever. (Laughter.) He was glad at last that they had vested part of the "rest" in Consols and in Bank stock. He thought it, however, desirable to publish annually a list of the shareholders.

Mr. Josiah Wilson differed with Mr. Serjeant Gaselee as to the publication of the names of the shareholders, and submitted that there might be circumstances in which it would not be desirable to publish such a list. He asked the chairman whether the expense of erecting the new building had been set apart from the sum of £88,000.

The chairman said the directors had set apart £10,000 for that purpose, for which they had provided, but not by taking it from the sum of £88,000. The contract price for the new premises was under £13,500, exclusive of a few extras for furniture.

Mr. Wilson thought that the setting apart so much as £10,000 for the new building was going a little too fast. (A laugh.)

After some further conversation, in which Mr. Blandford and other gentlemen present took part, the report was unanimously adopted; and Mr. Thomas Wingate Henderson, Mr. David Q. Henriques, and Mr. Charles Morris, the three directors retiring by rotation, were re-elected.

On the motion of Mr. Williams, a vote of thanks was accorded to the chairman and directors; and with that the meeting separated.

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### PROVINCIAL (WELSH) INSURANCE COMPANY.

On the 6th June, a public meeting of the friends and supporters of the above institution was held in the City of London, at which upwards of 300 were present. Mr. Hugh Owen presided, in the absence of Mr. John Williams, of Bronwylfa. Among those present we observed the Rev. J. Evans, B.D., of the Welsh Church; the Rev. Daniel Davies; Mr. Osborne Morgan; Mr. Morgan Lloyd; Mr. Griffith Davies; Mr. Thomas Barlow; Mr. James Bennett, &c. A letter was received from the Right Hon. Sir Benjamin Hall, Bart., M.P., regretting that a previous engagement prevented his having the pleasure of attending. Letters were also read from the Hon. Colonel Rowley and B. W. W. Wynn, Esq., regretting their inability to be present, but expressing their entire approbation of the objects of the meeting, which was to hear a lecture, by the Rev. Owen Thomas, on the advantages of life assurance. The reverend lecturer commenced by observing, that it might be considered rather inappropriate that a minister of the Gospel should undertake to lecture on the subject of life assurance, as being too trivial for one whose peculiar office was to teach the principles of religion, and to advocate claims and interests more important than those of commerce and business. He admitted that the chief object of a minister's calling was to present the interest of the spiritual world before men's minds, yet a minister of the Gospel, being a man and a member of society, stood in need of temporal objects, had temporal interests, and could not properly disengage himself from secular affairs. He did not therefore feel that any apology was required for thus addressing them on the subject of life insurance. The ethics of life insurance would in themselves form the subject of an interesting lecture, but as many whom he addressed were yet unacquainted with the first principles of insurance societies, he should at once proceed to explain fully their nature and objects. These societies were formed for the purpose of enabling the representatives of any individual to receive, after his death, a certain sum, upon his paying an annual amount during life, so that, by the payment of but a comparatively small sum annually, or otherwise, a large amount would accrue to his successors. Some had supposed that societies of this kind were in existence among the ancients, but this would appear to be a groundless supposition, originating probably in a wish in some persons to ascribe everything great and good to antiquity. Probably the first society of this character was one established in Florence, for the purpose of securing property against losses at sea. On the 28th of January, 1532, five merchants of that city, then eminent for its commerce, formed a company to insure themselves and others against risks and hazards by sea, according to a form of policy said to be still in use at Leghorn. At that time, no attention was paid to life assurance, but at a subsequent period Lorenzo Tonti, of Naples, made a proposition to the French government, to raise a loan for supplying the national treasury by paying a certain amount down, for which an annual payment was to be received. Each shareholder contributed £30, and with this sum an annuity was purchased, and as each shareholder died, the increased amount was divided among the survivors, and the last subscriber, a Mrs. Bonny, received the large sum of £36,000 annually, when, at her death, the whole reverted to the French government. In the same manner the property now called Colquitt-street, Liverpool, was purchased by 100 shareholders, and when 98 had died, the two survivors divided between them £10,000, the produce of £100 each originally.

The reverend gentleman then adverted to the establishment of several societies in the early part of the eighteenth century, which, he said, were very



## Provincial (Welsh) Insurance Company

their principles, each individual paying the same amount (£5 per year might be his age, or state of health, or profession, just as it societies existing in Wales do at the present time. A new however, was discovered after some time, which acted most invulnerably upon the principle by an anecdote of an Irishman, who, during the naval engagement, having observed a cannon ball enter the side, thrust his head into the hole, apparently calculating that hardly in a thousand would take the same direction; and whatever might be the result of his courage, his calculation was correct. It was, he said, very uncertain when a particular fire might break out, but by taking average of a large number of cases, an approximate result could be obtained. The death of an individual was proverbially an uncertain event; yet this uncertainty recurred with the utmost regularity, and this might be acted upon with perfect safety. He here instanced the number of deaths in London, which last week amounted to 1,073, whilst the average in the corresponding weeks from 1845 to 1854 was 1,028, the births bore a similar proportion. After the discovery of this, tables were framed, by which the amount of risk was fixed, and corrected by other, and finally perfected by a third, the late Mr. Griffith Davies, The reverend lecturer entered into some interesting details on the expectancy of life at different ages of 100,000 persons born at the same time. The average of stonecutters, who inhale the dust and minute particles of stone, was only 34 years; that of millers, 42; painters, 44; carpenters, 40; lawyers, 41; medical men, 54; merchants, 62; gardeners, 60; masons, 55; ministers of the Gospel, 63; and justices of the peace, 69. The average length of life thus being discovered, the knowledge was turned to a profitable account, and it was found that a good amount of interest might thus be derived from capital; and this was the first class of societies formed. Another kind was formed on the principle of dividing the profits amongst the parties assuring; and a third, combining the future payments. It depended, the lecturer observed, much on the age of the person assuring, which of these forms of assuring would prove most profitable. The annual premium for assuring £100 was £2 1s. (age 20); but, according to the participating principle, this sum would gradually accumulate, and after some years it would become doubled, or the premium might be greatly reduced, so as to render it more convenient for those who desire to employ their capital otherwise and at death, a person who has thus assured for a moderate amount, would have secured to his family, if not an independent fortune, at least a competency. How frequently had it happened of him on whom they were comfortably provided for during the lifetime of difficulties, and some ever dependent, had been reduced on his death to the character of a clerk one the workhouse. He then drew the attention of the audience to the influence of the principle of life assurance on the character of a clerk one A merchant would, as a matter of prudence, choose for a clerk one had assured, in preference to a person who had not, although in other respects he possessed the same qualifications; for, as he had exhibited the same discretion towards his employer. Some persons objected to the principle of assurance societies, as having a man to live to the age of proper trust in Providence. Supposing a man to live to the age of 80, except he had made provision for himself before that time, there was by which he could obtain subsistence, to say nothing of comforts. chances were greatly against his living to that age; he might die

week or the next day, and therefore it could not be a want of trust in Providence to make due provision for events so precarious. It was surely more proper to characterise the contrary conduct as tempting Providence. Some parties feared they would not be enabled to continue the payments, but this could only be a very slight objection where the premium would be gradually decreased, and thus all danger of failing in payments be removed, and a sum may even be taken out for the purpose of meeting future payments. The reverend lecturer concluded his interesting address by saying that the Provincial Insurance Company was peculiarly a Welsh society, and was carried on by gentlemen of position and high respectability, who felt an interest in the well-being of their fellow countrymen, and who were well known for their philanthropic and patriotic feelings. In a local society, such as this, there was not the same danger of assurers being deceived as in some of the small offices established in other parts of the United Kingdom, and the energy with which it had hitherto been conducted, and the economy which characterised its management, rendered it deserving of general support.

The lecture was listened to throughout with attention, and at its conclusion a complimentary vote of thanks was passed to the reverend gentleman. The remainder of the proceedings was occupied with addresses by influential supporters of the institution, detailing its general advantages and objects.

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## Communications.

*To the Editor of the Bankers' Magazine.*

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### FOREIGN BILLS ON DEMAND.

SIR,—Are foreign bills drawn on *demand* subject to the stamps as on inland bills, or will merely the 1d. stamp do for any amount?

Yours truly,

W. P. H.

*Liverpool, May 10th, 1855.*

[This question is similar to E. M.'s, answered in this number, except that E. M.'s question speaks of a cheque on a London banker, and W. P. H.'s of foreign bills. We think, however, that, in this respect, bills and cheques are on the same footing.]

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### CHEQUE DRAWN ABROAD.

SIR,—Will you kindly inform me, in your next number, whether a cheque on a London banker, *drawn abroad*, and payable either to bearer or order, requires a penny draft, or foreign bill stamp?

Yours very obediently,

E. M.

*Sussex, June 19th, 1855.*

[The general opinion is, that the penny draft stamp will do; the act says foreign bills are to pay the same duty as an inland bill of the same amount and tenor.]

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## PENNY STAMPS ON BANKERS' CHEQUES.

SIR,—How will the penny stamp, proposed to be charged on all bankers' cheques, affect customers' letters advising payment of bills, such letters being, by us, considered as vouchers?

In the event of their being liable to stamp duty, will it be sufficient to affix one stamp to an advice list (such as the enclosed), irrespective of the number of advices, or will it be necessary to affix a stamp for each advice?

Pray excuse my troubling you with such trivial queries; but, in the event of the Chancellor's proposition becoming law, it will be of importance to know this.

Yours respectfully,

26th April, 1855.

A GLO'ESTERSHIRE CLERK.

[We do not think the letters of advice referred to would be affected by the now abandoned proposal of the Chancellor of the Exchequer. If they would be liable to duty under that proposal, they are so now, in cases where they are remitted a distance of more than fifteen miles, but we consider they are clearly not liable to duty.]

## RECEIPT GIVEN IN A FOREIGN COUNTRY.

SIR,—Be so good as to state, in your next, if it be necessary that a receipt given by a firm in Paris to a house in England, for cash paid for goods, should have one penny stamp upon it, and oblige,

Your obedient servant,

Birmingham, May 15th, 1855.

F. T.

[If the receipt be dated and signed in Paris, we consider it does not require a stamp, but it is obviously desirable that it should be stamped, in order to save discussion as to these points.]

## DRAFT IN FULL OF ALL DEMANDS.

SIR,—Will you be good enough to inform me whether a draft on a banker, with a penny draft stamp, impressed on the following form, is equivalent to a stamped receipt in full of all demands?

Your obedient servant,

A COUNTRY BANKER.

"To the Bank.  
On demand, pay to or order, the sum of  
in full of all demands on J. B. and Co."

[We do not consider this equivalent to a receipt, and if it be, we think it would require the penny receipt stamp, as well as the penny draft stamp. A document of this kind might give rise to many questions, and should not be adopted.]

## STAMPS ON BANKERS' DRAFTS.

SIR,—Now that the subject of the stamp on cheques is under consideration, I hope you will draw the attention of your readers to the subject of the stamp laws, as they affect bankers' short bills, and in which a grievous injustice exists, which might be removed with advantage both to bankers and to the revenue.

By 9 Geo. IV., c. 23, bankers may, on taking out an annual license, at a

cost of £30 for each of their branches, issue on plain paper bank notes and short bills up to twenty-one days after date, paying a trifling rate of composition on the average weekly amount of notes and bills outstanding. This was all very fair until Peel's Bank Charter Act, which prohibited the issue of bank notes by any banker not previously issuing. I am one of this class, but although I wish to be able to draw twenty-one days' bills, I cannot afford to pay £30 a year for each of my branches for this privilege alone. Had the issuing of notes been still legal, I could not have complained; for if, having paid for two things, I thought proper only to make use of one of them, it would have been my own doing: but now I should be obliged to pay the Government for that which, after having paid for, they will not allow me to have, and which I do not want, viz., the privilege of issuing notes.

It is extremely unfair by non-issuing banks not to have the facility for drawing at short dates on their London agents, when their issuing neighbours can do so under their issuing license.

The remedy is very simple. Let the license duty be reduced, say to £20, and include the issuing of notes only, and let bankers' bills, not exceeding twenty-one days' date, be charged with a stamp duty of about 3d. per cent. or thereabouts; for the present bill of exchange stamp of 1s. per cent. is in fact a total prohibition on short bills.

Country bankers ought to join in petitioning for relief from this grievance, and as you are always willing to assist them, I trust you will either agitate the question yourself, or insert this letter.

I am, yours obediently,

A COUNTRY BANKER.

[We can add nothing to these remarks, except to express our concurrence in them.]

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#### DISHONOURRED CHEQUES.

SIR,—Some few weeks since, I received a cheque from a customer in the country for four pounds odd, drawn by another person on a joint-stock bank in his neighbourhood, and upon my presenting it for payment, it was dishonoured, the drawer not having sufficient funds in the banker's hands to meet it. The other day, I was offered another cheque drawn by the same person upon the same bank, and for about the same amount; and feeling a little curious to know if it would be paid, I took it, and sure enough it was duly honoured. Permit me, therefore, to ask, what you think of a banker allowing a person to carry about and use cheques upon him, after he has virtually acknowledged, by his own act, that he does not consider such person trustworthy to the extent of five pounds. I always thought that before a banker would open a drawing account with a person, he took some pains to satisfy himself that he was a person of fair credit and responsibility; but from inquiries made on the spot, I ascertained that such was not the practice of the bank in question; and was informed by three or four very respectable persons, that the manager was in the habit of going round to the small shopkeepers, begging them to open accounts with him, and as a natural consequence, the town was inundated with small cheques. Now, sir, as I have a very strong impression that a large majority of the country bankers would consider such conduct derogatory, I should be glad to hear what some of your correspondents think of the matter.

I am sir, your obedient servant,

AN OLD SUBSCRIBER.

## PRESENTMENT TO BANKER—TIME TO REFUSE POST.

SIR,—In reference to your correspondent's letter of the 12th April, signed "R. S.," as to cheques presented to a banker by post, allow me to introduce to his notice the decision in *Boyd v. Emerson*, as a parallel case to the one he quotes. From this decision, it is clear that bankers have no liability imposed upon them to return a cheque, unprovided for, by the following post, and that a banker is not responsible if he retain the cheque for a day after it has been presented, whether by post or personally.

In the case referred to, Matson's cheque was presented at 1.30 p.m. on Monday, held over till the drawer could be seen, and returned unpaid on the night of Tuesday. The holder then sought to recover. Among the elaborate arguments, it was contended that, since the bankers received the cheque as agents to the plaintiff (the holder), they were only bound by the same rules as would apply to bankers receiving bills as agents for their customers. The Court decided in favour of defendants, the bankers on whom the cheque was drawn.—See *Shaw on Cheques*, page 145.

I remain, yours most respectfully,

W. H. I.

12th May, 1855.

[We agree with "W. H. I." The case is much stronger against the liability of the banker, when the presentment is made by post. The whole foundation of the action of *Boyd v. Emerson* was what passed between the parties personally. We may refer also to *Pollard v. Ogden*, 2 Ellis and Blackburn, 459].

## BILLS UNDER £5.

SIR,—Will you have the goodness to inform me if it is legal to draw bills for terms exceeding twenty-one days, when the amounts are under £5?

I have an impression that bills of the above description were made illegal by 17th Geo. III., c. 30, and which act, as regards such bills, remains unrescinded.

I am, sir, your obedient servant,

Sheffield, 11th May, 1855.

A BANKER'S CLERK.

[Bills under £5 require certain formalities, and, amongst the rest, must not exceed twenty-one days. The act referred to is not, so far as we know, repealed. See also 7th Geo. IV., c. 6 and 7.]

## THE UNITY MUTUAL JOINT-STOCK BANKING COMPANY.

SIR,—As the new principle involved in the scheme of the Unity Mutual Banking Company has excited some interest in banking circles, I beg to hand you the following brief estimate of what its operation would be in the case of the six existing joint-stock banks in London, supposing their business were carried on on the principle referred to.

That principle is, that after payment of 5 per cent. interest from the profits to shareholders, the remainder of the profits shall be divided equally between the shareholders and depositors in the way of bonus.

Take, now, the London joint-stock banks as a whole. Their paid-up capital is about £2,767,000, their annual profits about £450,000, being 16½ per cent. on the paid-up capital. They do not pay, on the average, so high a dividend as 16½ per cent., because part of the profits is carried to reserve fund; but the amount of net profits made is, as stated, 16½ per cent.

Upon the plan of the Unity Bank, allow the shareholders only 5 per cent. dividend, viz., £138,500, and deduct this sum from the annual profits, which

will leave £311,500, to be divided equally between the shareholders and the depositors—that is to say, £155,750 to the shareholders, and £155,750 to the depositors. Adding, then, the shareholders' bonus of £155,750 (being  $5\frac{1}{2}$  per cent. on the paid-up capital) to their 5 per cent. dividend, and their total dividend would amount to  $10\frac{1}{2}$  per cent., instead of  $16\frac{1}{4}$  per cent., as on the present system.

Next has to be divided the bonus of £155,700 among the depositors. The deposits in the six banks referred to amount in round numbers to £25,500,000, on which sum the bonus would be about 12s. 2d. per cent.

The result, on the whole, would be, that to confer on depositors a bonus of 12s. 2d. per cent., the dividend to shareholders would be reduced by about 6 per cent.

I am, sir, your obedient servant,

INQUIRER.

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## Notes of the Month.

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**THE TIMES LIFE ASSURANCE AND GUARANTEE COMPANY.**—The report of this company, just published, shows favourable results. The position of its finances proves that the business in the aggregate has been profitable, and that the management has been carried forward in a satisfactory manner. By the directors' last report, it appeared that the total amount of business done by the company up to that date, without deducting lapsed policies, was as follows, viz.:—

	No.	Annual Income.
Number of policies issued by the company up to 30th of June, 1854 ... ..	5,301	£23,086 2 0
Add to that the business of the present year	1,612	7,012 8 10
	6,913	£30,098 10 10

And it will be seen that in six years the company has issued 6,913 policies, yielding an annual income of £30,098 10s. 10d., but from which must now be deducted the ascertained lapsed policies, which will give the present annual income at £22,502 10s. 5d. The directors having now made their report for the year, have further to inform the shareholders that the valuation of the company's business for the first five years is complete, and the directors lay before the shareholders a general balance-sheet of the life assurance department from the commencement of the company. By this balance-sheet it will be perceived that care has been taken to estimate all the liabilities of the company, including the liabilities on the policies of insurance and the capital paid up, and that the assets have been carefully revised. The balance in favour of the company will be seen to be £37,467 16s. 5d. Of this sum £33,034 7s. 4d. has been set aside as a reserve fund for future profit and expenses. The sum remaining, viz., £4,433 9s. 1d., is the amount that may be distributed amongst the policy and shareholders. The directors do not propose to distribute the whole of this sum of £4,433 9s. 1d. The directors recommend that a bonus of one per cent. per annum be declared upon all life policies entitled to a division of profits; and, further, that a bonus of 2s. 6d. per share be declared upon the capital stock of the company.

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**THE WINE DUTIES.**—At a very inopportune period, a revival has been attempted of the discussion on the reduction of the wine duties. This has been caused by the publication of a work by Sir Emerson Tennent, who, in an elaborate analysis of the subject, ranges himself on the side of those declaring against the expediency of the measure. There are, of course, as in all these cases, two sides to be heard, and although it may be admitted that the experiment, in a fiscal sense, would prove dangerous, the moral advantage to be gained would doubtlessly be great and important. The advocates of a reduction of the duty from 5s. 9d. to 1s. per gallon, have, however, it appears, not pro-

perly considered the question of revenue, and where so large a sum as that which is collected under the present system is concerned, it would be most injudicious, at this critical juncture, to propose to interfere with it. That the point at no distant date will force itself again before the Legislature there is every reason to anticipate, and, meanwhile, it may be desirable to submit the whole facts to the public. Notwithstanding the cogency of many of the observations in favour of a maintenance of the existing impost, ably illustrated and supported as they are by various statistics, it is not improbable that the feeling of the country in a new Parliament may predominate and lead to an alteration. If such an alternative should arise, it will probably be prudent for the finance minister who may then be in office to follow the example set with regard to the prominent articles of consumption, viz., a progressive decrease, until a minimum duty of 2s. or 2s. 6d. per gallon is established.

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**SAVINGS BANKS.**—A return published on the motion of Sir H. Willoughby, shows that the total excess, beyond the sums drawn out, paid in by the trustees of savings banks in account with the Commissioners for the Reduction of the National Debt, between the 20th of November, 1853, and the 20th of November, 1854, amounted to £230,291; the excess drawn out by savings-banks, beyond the sums paid in, including the interest paid on the sums drawn out, to £910,163; the sums paid for the purchase of stock, Exchequer-bills, and Exchequer-bonds, to £4,112,692; the sums received for sale of stock and for Exchequer-bills paid off and sold, to £3,634,161; and the dividends received by the commissioners on stock invested, and interest on Exchequer-bills and bonds, to £1,051,743. The balance remaining on the 20th of November, 1854, amounted to £160,396. The total amount of interest credited to the savings banks in the United Kingdom in the year ended the 20th of November, 1854, amounted to £1,078,106.

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**RESTRICTED BANK CIRCULATION.**—A person of penurious disposition recently died at Kendal. It was not known where such of his money as was not invested in household and landed property was kept; but after his death, the persons who laid out his body, found bank-notes to the amount of upwards of £700 hid beneath his clothes.

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**BANK-NOTE ROBBERY.**—A reward of £100 has been offered for the recovery of property to the extent of nearly £900, said to be in the possession of Mr. Joseph Latham (otherwise Lambert), at the time of his late assassination in Foley-place. The numbers are stated as follows:—£300, No. 22,955, dated January 12, 1854; £100, No. 39,511, dated February 10, 1854; £100, No. 39,512, dated February 10, 1854; £100, No. 39,513, dated February 10, 1854; £100, No. 39,514, dated February 10, 1854; £100, No. 39,515, dated February 10, 1854; £50, No. 61,164, dated February 9, 1854; £10, No. 48,069, dated June 5, 1854. The following notes have since been paid into the Bank of England, viz., £100, No. 39,511, £100, No. 39,512, and £10, No. 48,069.

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**THE UNITY JOINT-STOCK MUTUAL BANKING ASSOCIATION.**—The promoters of this company have taken very prominent premises at No. 10, Cannon-street, City, which will hereafter be known as "Unity-buildings." During the progress of the preliminary arrangements, one-fifth of the capital has been subscribed, and one-fifth of the deposits have already been paid up. It is well understood that the departments connected with fire and life assurance will be carried on in separate offices in the same establishment, and the co-operative system be thus fully carried out.

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**GOLD ROBBERY.**—A serious robbery has been committed in the transmission of specie to Paris, boxes having been opened and lead substituted for gold. It is believed to have happened at Folkestone, and the amount taken is said to be £12,000 or £14,000.

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MONTHLY CHRONOLOGY.

June 4.—Despatches received, announcing the capture of Genitchi by the Allied forces, and the destruction by the Russians of a number of vessels laden with corn and a large quantity of other supplies.

June 5.—Announcement of the evacuation of Sonjah Kali by the Russians, after burning the principal buildings, and abandoning sixty guns and six mortars.

June 5.—The last of the Conferences held at Vienna. All further negotiations entirely broken off.

June 6.—Recommencement of the bombardment of Sebastopol by the Allied troops.

June 9.—Intelligence received by submarine telegraph of the capture of the Mamelon and the White Works, on the 7th, by the Allies.

June 11.—Suspension of Messrs. Strahan, Paul, and Co., bankers, of the Strand, and also of Messrs. Halford and Co., part of the same firm, carrying on the business of navy agents, in Norfolk-street.

June 13.—Evacuation of Anapa by the Russians, and occupation of the town and forts by the Circassians.

June 14.—The Bank of England Directors lower their rate of discount from 4 to 3½ per cent.

June 15.—Suspension of Messrs. Fletcher and Co., of Birmingham, with liabilities estimated at £45,000. An offer made to pay 7s. 6d. in the pound, by instalments, at long dates.

June 16.—An attack made by the Russians on a boat carrying a flag of truce, for the purpose of landing at Hango some prisoners captured a few days previous. Four of the boat's crew killed, several wounded, and the officers kept as prisoners.

June 19.—Failure of Messrs. Whitehouse and Jefferies, of the Phoenix Iron Works, West Bromwich. Liabilities said to be about £100,000.

June 19.—Messrs. Hickman, of Bilston, called their creditors together, with a view to an arrangement.

June 19.—Mr. Joseph Spencer, ironmaster of Birmingham, also called a meeting of his creditors, in consequence of difficulties. The estate is expected to realise about 6s. in the pound.

June 22.—Intelligence received of the failure of an attack upon the Redan and Malakhoff works, before Sebastopol, by the Allied forces, on the 18th. The loss of the Allies in killed and wounded amounting to about 4,000 men.

*Monetary Intelligence.*

REVIEW OF THE MONEY MARKET FOR THE MONTH OF  
JUNE, 1855.

THE financial events of the month have not been important, but the preliminary reports concerning the negotiation of new loans for France and Turkey show that we are on the point of incurring fresh responsibilities. It would, nevertheless, appear that little apprehension is entertained of a scarcity of money since the Bank directors have reduced their rate of discount to 3½ per cent., the stock of bullion having reached upwards of £18,000,000. The French loan is to be for £20,000,000, and that of Turkey for £5,000,000, if we may credit the statements put forward in well informed quarters; but with regard to the latter there seems to be some uncertainty whether a guarantee by England and France will be agreed to, or some other plan adopted to insure the requisite discharge of principal and interest. The arrangement of the French loan, if it be put into the hands of contractors, may temporarily



affect the position of the general money market, but not to an alarming extent, and the continuous supplies of specie leave little fear of a want of adequate accommodation for mercantile purposes. The discount houses are, of course, transacting business on lower terms than the Bank, and their lowest rate is 3 to 3½ per cent. for first class paper. The allowance for deposits has been cut down to 2½ per cent., and little disposition is evinced to take in large supplies on those terms. If there was a revival in trade, a greater demand would spring up for discounts, but in the present restricted position of things, little encouragement exists for attempting extensive operations. The progress of the war, with the success which has attended the allies before Sebastopol, shows that the Russians will eventually be compelled to succumb, but in the meantime its effects are unfavourable for business, complaints on the point being made in almost every department. In addition to the ordinary causes which have influenced mercantile relations, the suspension of Messrs. Strahan, Paul, and Co. has contributed to increase distrust, especially after the frightful revelations made in the Court of Bankruptcy and elsewhere. This occurring so speedily after the great Davidson and Gordon case, has tended to create dissatisfaction in most circles. The instalments on our own loan of £16,000,000 continue to be regularly paid. The third became due on the 19th instant (June), and amounted to £1,600,000 but £775,000 had been liquidated in anticipation by parties desirous of taking the Stock.

Consols were firm at the commencement of the month. The disposition of the public to purchase, together with the abundance of money, caused general buoyancy, and a further advance followed. The satisfactory state of the weather was likewise an element in the estimation of prospects, and created an additional improvement. The event of the reduction of the Bank's terms of discount having in a great degree anticipated, when it was in reality announced a complete check was given to purchases. This was the first symptom of the downward movement. Reports in connection with contemplated loans then succeeded, and produced heaviness, from which there has not been since a perfect recovery. A range of nearly 2 per cent. includes the extreme change in prices. Exchequer bills have improved, but the highest point has not been maintained.

There has not been much variation in foreign securities, but prices have sympathised with the fluctuations in Consols. A decline has consequently taken place, though not to a serious extent. The average fall is about 1 to 1½ per cent., ordinary operations having thus influenced quotations. Turkish has been affected by the rumours circulated from time to time, with respect to the prospect of a guarantee in any fresh negotiation, and, after temporarily advancing, has again become flat. The present price is about 81½. The recent sales of Danish and Dutch were doubtless on behalf of Strahan, Paul, and Co.

In railway shares a general decline has occurred of from £3 to £4, and the sales have been principally speculative, on the presumed results of approaching dividends. Business, however, has not been active, the market having been in a languid state throughout the month. There had, previously to the reduction of the Bank rate, been a rise in prices, but immediately after that event, a steady fall set in. The impression appears to be, that current values will be supported, if no immediate amendment really takes place.

A fair amount of business has been transacted in the shares of the joint-stock banking companies. The feature in operations has been the purchases of City Bank and Bank of London shares, the two new projects recently organised. Calls have been paid to the extent of £30 in each case, and the premium on the former is quoted 5½ to 6, and the latter 2½ to 3½.

It is understood that the respective proprietories are extremely influential, and that the subscription is well distributed. The alterations in the quotations of other shares, have not been of an important character. Miscellaneous descriptions, including gold mining, &c., do not attract the least attention.

The produce markets have been steady, with a fair amount of business. The cotton speculation at Liverpool is subsiding, and at present has not been attended with disastrous results.

The following are the fluctuations in the English and Foreign Stocks, and Railway Shares. during the month just concluded.

	Price on May 29.	Highest.	Lowest.	Price on June 28.
<b>ENGLISH FUNDS.</b>				
Consols ... ..	92 to 92½	93½	91½	91½
Exchequer bills' average ... ..	16s. to 20s. 23s. pm.	13s. pm.	14s. to 16s. pm.	
<b>FOREIGN STOCKS.</b>				
Brazilian ... ..	—	101	99½	100
Buenos Ayres ... ..	55½	60	54	54
Chilian ... ..	—	103½	102	102
Dutch, 2½ per cent. ... ..	64½	64½	63½	64
Mexican ... ..	22½	22½	21½	21½
Peruvian, 4½ per cent. ... ..	—	69½	68½	68½
Portuguese, 4 per cent. ... ..	—	45	44	44½
Russian ... ..	—	100½	99	98½
Spanish ... ..	38½	39	38	38½
<b>RAILWAY SHARES.</b>				
Brighton ... ..	100½	104	100½	102
Caledonian ... ..	64½	65½	63	63
Eastern Counties ... ..	12	12½	11½	12
Great Northern ... ..	92½	94½	92	92½
Great Western ... ..	67½	69½	67½	67½
Lancashire and Yorkshire... ..	80	83	79½	81½
London and North Western ... ..	101½	104½	100½	101½
Midland ... ..	72½	75½	71½	73½
North Staffordshire ... ..	12½	12½	12½	12½
South Eastern ... ..	61½	64½	61½	61½
South Western ... ..	83½	85½	83½	83½
York, Newcastle, and Berwick ... ..	75	76½	74	74½
York and North Midland ... ..	50½	52½	50	50½
East Indian... ..	24½	25½	24½	25½
Northern of France ... ..	36½	37½	35½	36

#### STATE OF TRADE.

THERE is still great depression in the South Staffordshire Iron districts, arising from failures, the whole of which appear to present speculative antecedents. Among the woollen manufactures greater confidence exists, but no general revival has yet taken place in business. It is, however, anticipated that there will be greater activity when export orders for America and Australia are received.

#### THE GRAIN TRADE.

THE favourable change in the weather has greatly accelerated the progress of the crops. The advices from the country are particularly encouraging, and it is considered that a good harvest will be secured. From the United

States the accounts are even more cheering, but some allowance must be made for exaggerated reports from that quarter. On the whole, however, there is satisfactory reason to believe that the future supply will not be, by any means, short, and, consequently, a reduction may be expected in prices. The fall will probably not immediately take place, but it cannot be much longer delayed. The trade generally has latterly been steady, the fluctuation not having averaged more than 1*s.* or 2*s.* in either direction. The arrivals have been moderate, though within the last week they have shown an increase.

The *Gazette* returns for England and Wales have been:—

Week ended 1855.	Wheat Qrs. sold.	Weekly Average.	Six Weeks' Average.	Duty.	Corresponding Six Weeks Last Year.	
					<i>s.</i>	<i>d.</i>
May 28 .....	110,379	76 10	72 1	1 0	79	2
June 2 .....	108,923	77 7	73 7	1 0	79	2
„ 9 .....	89,297	77 5	75 1	1 0	79	0
„ 16 .....	87,314	77 5	76 5	1 0	78	9

The importations since the harvest of 1854 have been:—

	Wheat. Qrs.	Other Grain. Qrs.	Total. Qrs.
Forty-three weeks ended 16th May.....	1,289,083	1,767,213	3,056,296
Four weeks ended 13th June.....	337,903	260,287	598,190
	1,626,986	2,027,500	3,654,486

And the *weekly averages* have been:—

Forty-three weeks ended 16th May.....	30,000	41,000	71,000
Four weeks ended 13th June .....	84,000	65,000	149,000
	More 54,000	24,000	78,000

### EAST INDIA REMITTANCES.

AMOUNT OF BILLS DRAWN FOR.

From the 25th of May to the 8th of June	Bengal.....	£11,954	10	4
	Madras.....	111	15	8
	Bombay ...	265	0	0
From the 9th to the 23rd of June .....	Bengal.....	£3,057	11	7
	Madras.....	1,804	8	4
	Bombay ...	220	16	8
		£17,416	2	7

### NOTICES TO CORRESPONDENTS.

Although we have given an extra sheet this month, two or three articles are still deferred. Letters in general, unless they involve important communications, should be forwarded by the 20th of the month.

**GUARANTEES.**—The prospectus is complete, and has been issued some time. The temporary offices have been advertised.

**JUNIOR CLERK.**—The proceedings will, it is stated, involve a costly outlay.

**CASHIER.**—All the new establishments are making arrangements for the commencement of operations.

# THE BANKERS' MAGAZINE;

AND

Journal of the Money Market.

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AUGUST, 1855.

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## METROPOLITAN BANKING.

Now that the excitement which recent events have created in private banking circles has in some degree subsided, the moment may not be inopportune for reflecting upon their probable consequences, and of considering whether it may not be possible to devise means for guarding, more or less effectually, against such occurrences for the future. Happily, the failure of a bank, especially in the metropolis, is a circumstance which we have rarely to record.

Generally speaking, the principals of our private banking firms are not only men of large capital, whose private resources are more than ample to meet all the liabilities and engagements they may contract, but they are also men of prudence and judgment, who will not risk those resources, much less the funds entrusted to their care, in wild speculation, or in unprofitable or doubtful business. When, therefore, from any cause, a failure does take place, the extent to which the public mind is alarmed and public confidence broken is great in proportion. The influence of ordinary commercial and trading concerns may, as a rule, be said to be confined to those particular classes of the commercial and trading communities with which they are immediately connected; and the failure of any great mercantile or manufacturing house, though in its fall it may bring down with it some smaller establishments, and more or less damage many others, influences only a limited portion of the commercial and trading world: but the failure of a bank is a very different affair. The ramifications into which the operations of a banking house of any business spread themselves, are almost innumerable. The cash balances upon which public companies, trading firms, and charitable institutions depend for carrying on their daily transac-

tions, are deposited at the banker's; and the present, and in some instances all the future resources of hundreds of private individuals and families are in their hands. They are the custodiers of securities of all kinds—in short, the banking house is the strong box where a man places his money, his bills, and most valuable securities, representing money, in full reliance that they will be forthcoming on the instant when, for his own purpose, he may require them. The suspension or bankruptcy of one of these establishments, therefore, is an event which necessarily carries with it, into circles far beyond the sphere of its immediate and apparent operations, an amount of loss, of suffering, and of ruin, which it is almost impossible to exaggerate. The natural and the immediate result of the crash is, to create suspicion in the public mind against the system of banking, and a prejudice against banks in general, but more especially against the particular class of banks to which the unfortunate one belonged. This has been the case in the instance of the late bank failure. Suspicion has been cast to a greater or less extent over private banks, as a class, the stability and soundness of the system is called in question, and people begin to ask themselves whether the undoubted advantages which banking facilities afford, in carrying on trading operations, may not be purchased too dearly by the risk of entrusting money for safe keeping to hands which may not be able to return it when demanded. This is a feeling which, for its own interest, the private banking community should take every means to eradicate; if it be allowed to remain, and to grow, it will soon become difficult for the private banks to maintain their place in the race of competition which has set in.

The first great requirement in banking is security. It is not sufficient for the public to know that at the head of the old-established banking firm of Cash, Plenty, and Company, is the well-known Mr. Cash, the proprietor of vast estates in Buckinghamshire, or that Sir James Well-to-do, the principal partner of the firm of Well-to-do, Full-purse, and Company, is the chairman of half a dozen railways, and the largest holder of railway stock in the three kingdoms. What the public want to be satisfied of is, that the banking business of Cash and Plenty is well and profitably conducted, and that the profits, and perhaps the Buckinghamshire estates also, are not frittered away in undue speculations, nor wasted in heedless extravagance; and that Well-to-do and Full-purse, who are the depositories of other people's money, are not using that money for stock-jobbing purposes, and in keeping up the credit of half-bankrupt railway companies. Above all, they want to be certain that those establishments, while inviting people to open accounts with them, have at hand

available assets sufficient to meet all demands for which they are, or may in the course of their business become, liable. Were the requisite security afforded in this respect in all cases, banks of every class—private as well as joint-stock—would be regarded by the public with equal favour, and the amount of banking business in the metropolis would be increased immeasurably. The publicity required of the joint-stock banks by the terms of the Act of Parliament affords this security, and the consequence is, that they are rapidly rising in public favour. There can be no valid reason why all banks of deposit should not be compelled to publish periodical statements of their accounts—showing the amount of original capital invested by the partners—how far that capital has been diminished or increased—the amount of deposits intrusted to them by their customers—the cash balance, and the extent and nature of the securities and other assets in hand, and immediately applicable for meeting those deposits—in the same way that the joint-stock banks publish their accounts. It should also be a *sine qua non*, in carrying on the business of banking, that the capital invested by the partners in the concern should bear a due proportion to the extent of the business done, and that a proportionate reserve fund, or rest, should be maintained, for meeting bad debts and other extraordinary contingencies; and to guard against the possibility of “cooking”—a term, which it is to be lamented circumstances should have ever justified the introduction of, into our commercial vocabulary—the periodical accounts should be prepared under Government inspection, and the affairs of the bank generally undergo a periodical examination by responsible Government officers.

It will probably be objected, “Why are private banks of deposit, which are mere commercial establishments, to be subjected to an inquisitorial interference, and to a system of Government espionage, from which all other private trading firms are exempt?” The answer to that objection is obvious. Before a man entrusts his goods to a merchant, or a wholesale or retail trader, he has full opportunity of inquiring as to the solvency of the house. He can, without much difficulty, ascertain the extent, or, at all events, an approximate idea of the extent of its transactions, and generally of the character it bears in the commercial world. True, there is no periodical publication of accounts, but it is the custom in all properly conducted business houses to balance the books periodically, and the regular discharge annually, or oftener, of all outstanding liabilities, affords a very fair test of financial stability. For an ordinary trading firm to go on year after year for any very long period in a state of hopeless insolvency, carrying on a large business, is next to impossible. Irregularity in payments—paper

occasionally not taken up to the day—and those other little incidences of pecuniary embarrassment, with which all commercial men are well acquainted, and which are inseparable from a state of approaching insolvency, speedily become known—credit is impaired—dealings become compulsorily curtailed—and the catastrophe is consummated, despite every effort to avert it. Again, when failure comes, it is a slight compensation to the creditor to reflect, that his loss is in some degree compensated by the gain on previous transactions. But, with the private banking houses, the case is altogether different. The depositor who, beyond the convenience which the banking house affords, has no profit in the transaction, has, as a rule, no means of forming a judgment of the extent or nature of the business of the bank, or of what speculations the principals may be carrying on with their customers' money. For aught he knows to the contrary, every farthing of the original capital with which the house was established may have been withdrawn or lost—the deposits squandered in some wild scheme, foreign altogether to the legitimate business of banking—and the house dependent upon each day's takings at the counter for the necessary funds to meet the cheques which, in the ordinary course of business, are drawn upon it.

These are matters which, in ordinary times, escape notice; but when a failure occurs, the public mind is awakened to their importance, and the trading communities—those to whom banking facilities are indispensable—turn their attention to those channels where banking accommodation can be obtained, free from the risk which, more or less, is inseparable from those banks, the particulars of whose financial position are concealed from the customer.

The advantageous position which the joint-stock banks hold in this respect, as distinguished from the private banking houses, is one principal cause of the success which, within comparatively so very brief a period, they have won. By every succeeding failure, that position will be strengthened, and the difficulty experienced by the private banks in keeping pace with their competitors enhanced. Since the establishment of the metropolitan joint-stock banks, there has been undoubtedly a very considerable increase of banking business; but this increase, these banks have been mainly instrumental in developing. Every new facility afforded, creates additional business, and still further develops the employment of capital. The extent to which the trade of banking has been already carried is as nothing, when compared with that to which it is still capable of being extended. For banking enterprise, there is an immense field yet unoccupied. As new banks and new branches of exist-

ing banks are founded, the number of customers is multiplied, and persons who had before no knowledge of the great advantage of keeping an account at a bank, become depositors, and discover, for the first time in their lives, that the banking account has become a necessary. The remarks of Mr. Ricardo the other day, at the half-yearly meeting of the London and Westminster Bank, upon this point, were so apposite that they are worth transcribing. He said:—

If there is one advantage greater than another, which the trader of this country peculiarly enjoys, it is in the system of banking, which exists only in this country; which affords him the most simple, and at the same time the most perfect check over his accounts it is possible to devise; places at his disposal an office where he may deposit in safety his money and his securities, with the most perfect assurance that they will be forthcoming at any moment when, for his own purposes, he may require them—an office where he may make his bills payable, and be relieved of all trouble in regard to bills paid to him; and where he may derive many other facilities for carrying on his trade, of the extent and value of which those only who have enjoyed them can have a notion. I could wish that those facilities and those advantages were more universally understood than they are; but it is notorious that many traders have no knowledge of them, and though my friend, Mr. Gilbart, has, in his various publications, done much to demonstrate the advantages of keeping a banker, there are still hundreds of traders in this metropolis who are wholly ignorant of them.

Taking advantage of the current of popular feeling in favour of the joint-stock principle in banking, we find new projects launched, and new banks springing up and establishing themselves with almost incredible rapidity in profitable and apparently permanent business. And for some time to come, at least, we may expect to see further additions to the list of our joint-stock banks, for while the half-yearly reports of these establishments continue to announce dividends at the rate of 10, 14, and even 20 per cent. per annum, there will be no lack of capital available for investment in banking speculations. Undoubtedly, the popularity of the joint-stock banks is ascribable in part to the very able management which, without exception, distinguishes them; but it is still more due to the superior confidence which results from the publicity given to all their proceedings—the half-yearly meetings—the explanations offered by the directors openly to the proprietors, and through the press to the world—and, above all, the free exposition of the financial condition of the bank, made public by the printed report, and by advertisement, which afford the most satisfactory security, inspire confidence, and, as a natural consequence, bring



business and profit. That the demand for banking facilities, combined with this kind of security, is not confined to the moneyed circles of the City, the successful action of the numerous West-end branches of the general joint-stock banks is the best proof. Convinced by that success of the value of the West-end as a field for banking operations, even the Bank of England has determined to compete for it with the more juvenile banks, and is about to establish a West-end branch. And taking advantage of the recent failure at Temple-bar, two of the joint-stock banks—the London and Westminster and the Union Bank of London—have already opened branch establishments to fill up the hiatus in that locality. In every part of the metropolis, we find the joint-stock banks pushing their business with energy, and providing the means, by their branches, for supplying the banking wants of the community, and competing for the custom of the private banks. In integrity, honour, knowledge of finance, and of the business of banking, the principals and managers of most of our private banks have no superiors, and long years of generally successful operations show that they have been rewarded by no small amount of public confidence and patronage; but, in these days, something beyond reputation for integrity and business qualities is necessary, and to retain that confidence and patronage, and uphold the high position they have so long enjoyed, the private banks must be prepared to offer to the public something like the same securities which the joint-stock banks afford.

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#### WEST-END BRANCH OF THE BANK OF ENGLAND.

THE Directors of the Bank of England have resolved upon opening a branch at the West-end, to accommodate the general public in that locality. With this object, they have purchased Uxbridge House, Old Burlington-street, lately the property of the Marquis of Anglesey, and are making arrangements for commencing operations. The purchase-money, it is stated, was about £43,000, and some further outlay will be requisite to adapt the premises to business purposes. At this branch, the customers will receive the same facilities as are afforded at the parent establishment, and there can be little doubt but that large numbers of the aristocracy and wealthy commoners will avail themselves of the security which this arrangement presents. The management of the new establishment will be placed under Mr. C. Tindal, who has hitherto superintended the branch at Birmingham, and with an effective staff, such as the Bank can

supply, the results appear likely to meet the expectations of the Directors. Now that this step has been determined, the previous inaction of the directors in this respect has been a matter of comment, but it must be remembered that no convenient opportunity has before presented itself of following out such a course.

Although it may be considered that this branch of the Bank will interfere with the operations of the other branches recently organised by the leading joint-stock banks, there are peculiar privileges connected with each which will prevent the extreme competition which otherwise may be anticipated. While the Bank of England will offer the advantages of security presented by its charter, capital, and established reputation, in addition to the facilities for the payment and receipt of dividends, the joint-stock banks will present many inducements to parties who may not be in a position to comply with all the regulations of the national institution, with respect to the amount required for opening accounts, average balance, and other minor details. Further, the joint-stock banks are in a position to grant accommodation and other assistance in a shape which it has not hitherto been customary for the Bank of England to do. The allowance for deposits, and, in some cases, of interest on current accounts, constitute additional recommendatory features, which are sure to attract business, and even the great consideration of security cannot be underrated with proprietaries, like those of the principal establishments.

We are, therefore, not inclined to regard this movement as inimical to the joint-stock banking interest. That it may affect in some degree the average of business which, under different circumstances, would have been transacted by the new branches, we are not prepared to deny; but we fear it is the private bankers who will principally suffer, though the general extension of banking transactions may replace, in certain quarters, that which has been lost through the seasonable alteration effected.

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#### THE LONDON BANKERS.

THE following account of the London Bankers is taken from the return published in the *London Gazette* according to the Act 7 & 8 Vict., c. 32. The London Private Banks may be divided into three classes—

1. Those who are members of the Clearing House.
2. Those located east of Temple-bar, but are not members of the Clearing House.
3. Those located west of Temple-bar.

## A list of bankers who are members of the Clearing House :—

	No. of Partners
1. Barclay, Bevan, Tritton, and Co., 56, Lombard-street ...	4
2. Barnett, Hoare, Barnett, and Co., 62, Lombard-street ...	5
3. Bosanquet, Franks, and Co., 73, Lombard-street ...	4
4. Brown, Janson, and Co., 32, Abchurch-lane ...	5
5. Curries and Co., 29, Cornhill ...	6
6. Dimsdale, Drewett, Fowler, and Barnard, 50, Cornhill ...	4
7. Fullers and Co., 66, Moorgate-street ...	2
8. Glyn, Mills, and Co., 67, Lombard-street ...	6
9. Hanburys and Lloyds, 60, Lombard-street ...	5
10. Hankey and Co., 7, Fenchurch-street ...	4
11. Heywood, Kennards, and Co., 4, Lombard-street ...	3
12. Jones Loyd and Co., 43, Lothbury ...	4
13. Lubbock, Forster, and Co., 11, Mansion House-street...	2
14. Martin and Co., 68, Lombard-street ...	3
15. Masterman, Peters, Mildred, Masterman, and Co., 6, Nicholas-lane, Lombard-street ...	6
16. Prescott and Co., 62, Threadneedle-street ...	5
17. Price, Marryatt, and Co., 3, King William-street ...	2
18. Robarts, Curtis, and Co., 15, Lombard-street ...	4
19. Rogers, Olding, and Co., 29, Clement's-lane, Lombard-street ...	4
20. Sapte, Muspratt, Banbury, Nix, and Co., 77, Lombard-street...	4
21. Smith, Payne, and Smiths, 1, Lombard-street...	6
22. Spooner, Attwoods, and Co., 27, Gracechurch-street ...	3
23. Stevenson, Salt, and Sons, 20, Lombard-street ...	3
24. Williams, Deacon, and Co., 20, Birch-in-lane ...	5
25. Willis, Percival, and Co., 76, Lombard-street ...	4
Total	103

## A list of bankers east of Temple-bar, who are not members of the Clearing House :—

	No. of Partners.
1. W. and J. Biggerstaff, 8, West Smithfield ...	2
2. John Brown and Co., 25, Abchurch-lane ...	1
3. Challis and Son, 37, West Smithfield ...	2
4. Child and Co., 1, Fleet-street ...	6
5. Boger, Cunliffe, Son, and Co., 24, Bucklersbury ...	3
6. Cunliffes and Co., 24, Lombard-street ...	4
7. Robert Davies and Co., 187, Shoreditch ...	2
8. Dixon, Brooks, and Dixon, 25, Chancery-lane ...	3
9. John Feltham and Co., 42, Lombard-street ...	2
10. Goslings and Sharpe, 19, Fleet-street ...	5
11. C. Hill and Sons, 17, West Smithfield ...	2
12. Messrs. Hoare, 37, Fleet-street ...	2
13. Hugh and John Johnston and Co., 15, Bush-lane ...	3
14. Lacy and Son, 60, West Smithfield ...	2
15. Praeds and Co., 189, Fleet-street ...	4
16. Puget, Bainbridges, and Co., 42, St. Paul's Churchyard ...	4
17. John Shank, 76, West Smithfield ...	1
18. Adam Spielmann, and Co., 10, Lombard-street ...	1
19. W. S. Stride, 41, West Smithfield ...	2
20. Tisdall and Ward, 15, West Smithfield ...	2
21. Chas. Twigg and Co., 29, Great St. Helen's ...	1
Total	54

A list of bankers west of Temple Bar :—

	No. of Partners.
1. Bouverie and Co., 11, Haymarket ... ..	4
2. Call, Marten, and Co., 25, Old Bond-street ... ..	2
3. Cocks, Biddulph, and Co., 43, Charing-cross ... ..	5
4. Coutts and Co., 58 and 59, Strand ... ..	5
5. Messrs. Drummond, 49, Charing-cross ... ..	6
6. Hallett, Robinson, and Co., 14, Great George-street, Westminster ... ..	4
7. Herries, Farquhar, and Co., 16, St. James's-street ... ..	6
8. Charles Hopkinson and Co., 3, Regent-street ... ..	2
9. Ransom and Co., 1, Pall-mall East ... ..	3
10. Sir Samuel Scott, Bart., and Co., 1, Cavendish-square ... ..	2
11. *Strahan and Co., 217, Strand ... ..	3
12. Richard Twining and Co., 215 and 216, Strand ... ..	4
13. White, Ludlow, and Co., 6, Haymarket ... ..	3
Total	49

	Firms.	Partners.
Banks—Members of the Clearing House ... ..	25	103
„ East of Temple-bar, not members of the Clearing House ... ..	21	54
„ West of Temple-bar ditto ... ..	13	49
	59	206

The names of the following firms do not correspond with the names of the partners.

1.—CLEARING BANKERS.

1. In the firm of Messrs. Fullers and Co., there is no Co.
2. In the firm of Messrs. Jones Loyd and Co., there is no partner of the name of Jones.
3. In the firm of Messrs. Lubbock, Forster, and Co., there is no partner of the name of Forster.
4. In the firm of Messrs. Heywood, Kennards, and Co., there is no Co.
5. In the firm of Messrs. Price, Marryatt, and Co., there is no Co.
6. In the firm of Messrs. Robarts, Curtis, and Co., there is no partner of the name of Curtis.
7. In the firm of Messrs. Sapte, Muspratt, Banbury, Nix, and Co., there is no Co.
8. In the firm of Messrs. Smith, Payne, and Co., there is no partner of the name of Payne.
9. In the firm of Messrs. Spooner, Attwoods, and Co., there is no partner of the name of Spooner.
10. In the firm of Messrs. Stevenson, Salt, and Sons, there is no partner of the name of Stevenson, nor any partner whose Christian name is Stevenson.
11. In the firm of Messrs. Willis, Percival, and Co., there is no partner of the name of Percival.

2.—EAST OF TEMPLE-BAR.

1. In the firm of Messrs. John Brown and Co., there is no Co.

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\* This bank stopped payment, June 11th, 1855.

2. In the firm of Messrs. O. Hill and Sons, there are only two partners of the name of Hill.
3. In the firm of Messrs. Hugh and John Johnston and Co., there is no partner of the name of Johnston.
4. In the firm of Messrs. Puget, Bainbridges, and Co., there is no partner of the name of Puget.
5. In the firm of Messrs. Adam Spielmann and Co., there is no Co.
6. In the firm of Messrs. Charles Twigg and Co., there is no Co.
7. In the firm of Messrs. Child and Co., the only partner of the name of Child is "The Right Honourable Sarah Sophia Child, Countess of Jersey."

#### 8.—WEST OF TEMPLE-BAR.

1. In the firm of Messrs. Call, Marten, and Co., there is no Co.
2. In the firm of Messrs. Coutts and Co. there does not appear to be any partner of the name of Coutts. The return stands thus—"Edward Majoribanks, Sir Edmund Antrobus, Bart., William Matthew Coult-hurst, bankers, individually, and as trustees for the parties beneficially interested in the will of the late Duchess of St. Albans," "Edward Majoribanks, Junior, Hugh Lindsay Antrobus, individually only."
3. In the firm of Messrs. Herries, Farquhar, and Co., there is no partner of the name of Herries.
4. In the firm of Messrs. Ransom and Co. there is no partner of the name of Ransom.
5. In the firm of Sir Samuel Scott, Bart., and Co., there is no *Sir Samuel Scott, Bart.*
6. In the firm of Messrs. White, Ludlow, and Co., there is no partner of the name of Ludlow.

In the following firms, all the partners have the same name :—

Messrs. Curries; Messrs. Fullers and Co.; Messrs. Hankey and Co.; Messrs. Smith, Payne and Smiths; Messrs. Stevenson, Salt, and Sons; Messrs. W. and J. Biggerstaff; Messrs. Challis and Son; Messrs. O. Hill and Sons; Messrs. Hoare; Messrs. Lacy and Son; Messrs. J. and W. S. Stride; Messrs. Drummonds; Messrs. Richard Twining and Co.

#### CRIMINAL CHARGE AGAINST MESSRS. STRAHAN, PAUL, AND BATES.

THE investigation before Mr. Jardine, the magistrate at Bow-street, in relation to the conduct of Messrs. Strahan, Paul, and Bates, with reference to the disposal of the securities belonging to Dr. Griffiths, is temporarily adjourned. Meanwhile an attempt has been made to allow the admission of bail, but it was strenuously refused. It appears, from what has transpired in the course of the inquiry, that a difficulty will occur in the identification of the property, and that possibly the evidence will fail in its legal sense to establish the allegation. Should the partners, however, be acquitted through any technical flaw in the proceedings, they will stand morally convicted before the world of culpable delinquency, in appropriating the securities of their customers for their own benefit, and thus abusing one of the most vital and sacred trusts of a banker. It is scarcely necessary to remark that the case continues to be watched, both by the banking and commercial public,

with great interest. The subjoined is a digest of the several examinations which have taken place since the appearance of the *Bankers' Magazine* of last month :—

On Wednesday, June 27, Mr. William Strahan, Sir John Dean Paul, and Mr. Robert Meakin Bates, were again placed at the bar before Mr. Jardine, on remand, on the charge of having fraudulently disposed of securities, the property of the Rev. Dr. Griffiths.

Mr. Humphries said he appeared on behalf of Dr. Griffiths, and, as had been stated at the previous examination, he had to beg that the prisoners might be again remanded until the following Wednesday, when he would be prepared to go more into the case.

Mr. Parry said he appeared for Mr. Bates, and to the proposal for a remand he had no opposition to offer, or application to make. But he would remark, that, whatever might be his client's failings or faults—and perhaps there were many—and his punishment in suffering in public opinion would be considerable, still he (Mr. Parry) would be able to show most conclusively, at a future period, that there was no ground for the criminal charge which had been preferred against him. He felt bound to make that statement, in consequence of leading articles which had appeared in the public press, reflecting upon the conduct of the prisoners.

Mr. Lewis said he attended to watch the proceedings for Mr. Strahan and Sir John Dean Paul, and to repeat what the learned counsel had stated. He had little doubt that his clients would be able to afford a satisfactory explanation as to the part they had taken in the matter, and that they had not been guilty of any criminal offence.

The prisoners were then remanded.

On the 4th July, the prisoners were again brought up, when—

Mr. Bodkin, on behalf of the prosecution, said they had not been able to collect such an amount of evidence as he had anticipated at the previous examination. In pursuing their inquiries, they had met with difficulties from a quarter which he had not expected. However, it would be shown that, in the course of last April, Sir J. D. Paul, through a Mr. Young, succeeded in negotiating a loan for nearly £30,000 with Messrs. Overend and Gurney, upon securities lodged in their care, and a letter would be put in, which had been written to Sir J. D. Paul, in order to satisfy Messrs. Overend and Gurney, as to who was the borrower directing advances upon the documents.

Mr. Raymond Pelly said—I am clerk in the house of Messrs. Overend, Gurney, and Co. I hold in my hand a letter to Mr. Young from Sir J. D. Paul. It is dated 1st May, and desired Mr. Young to procure such an advance as the enclosed securities would cover, for three months, pending the sale of the estate. I am not acquainted with the handwriting of Sir J. D. Paul. The letter was as follows :—

“ May 1, 1855.

MY DEAR FRIEND,—You will greatly oblige me by raising as much money as the securities I handed to you will cover, for three months, pending the sale of the estate. You know the purpose for which the money is required, and also my reasons for not wishing my name to appear.

Yours faithfully,

John Young, Esq.

J. D. PAUL.”

Mr. John Young, of Sise-lane, solicitor, said—In April last I negotiated a loan for Strahan, Paul, and Co. with Messrs. Overend and Gurney. I communicated with Sir J. Dean Paul. He wished me to raise £30,000. He brought me securities, upon which the money was to be raised. They consisted of Danish, Dutch, and some other bonds. Mr. Pelly was the person I saw at Overend and Gurney's. Sir John Paul remained at my office while I went there. When I returned I communicated what had taken place between myself and Mr. Pelly. I told him that the house declined to advance so much as £30,000; £27,000 was the sum they said they were willing to advance. Sir John Paul agreed to that sum. This took place on the Monday. Sir J. Paul had been to me on the pre-

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vious Saturday, the 28th of April, but Mr. Chapman not being in the way nothing could be done, and he went away. He then came on Monday, and the conversation about the £30,000 took place. The first time I saw the securities was on the Monday. The parties I saw at Overend and Gurney's on the Monday were Mr. Pelly and Mr. Chapman. The £27,000 was then advanced upon the securities. I signed the "borrowed note" at the time of the transaction. The note was indorsed with a list of the securities at the time they were lodged. I stated to Messrs. Overend that I was acting for a principal, whose name it was wished should not be made known. They stated that it was necessary that they should have a letter from the party for whom it was borrowed, and I communicated what I had been informed to Sir J. Paul, and he wrote me this letter, which I showed to Mr. Pelly, and then the £27,000 was advanced. It was by an open cheque on Messrs. Barclays; it was not crossed. I got it cashed at Messrs. Barclays'. I got twenty-seven notes of £1,000 each, which I gave to Sir John Paul.

Mr. William Boyes—I am clerk to Messrs. Overend and Gurney. I remember the advance of £27,000 to Sir J. D. Paul on securities, through Mr. Young. The securities were brought in a box. On the back of the "borrowed note" I wrote a list of the securities. They are Dutch 2½ and English 5 per cents., and others. I produce one of each. We have the remainder in our possession. I produce one Dutch and one Danish.

Mr. John Hill, stockbroker, of Bartholomew-lane, deposed to making purchases of foreign stock by order of Strahan, Paul, and Company, for the Rev. Dr. Griffiths. Produced notes bearing date—7th June, 1847; 15th April, 1850; 4th June, 1853. One of their clerks would call at the bank every morning for orders, sometimes he would call himself; sometimes their instructions were in writing, and sometimes verbally. The two notes (instructions) are in Mr. Bates' handwriting.

Mr. Bodkin said, at present he had no more witnesses to call, and asked for a further remand.

Mr. Parry begged to say a few words on behalf of his client, Mr. Bates. Considering the slight evidence that had been given which in any way affected him, and that although he was held out to the world as a partner, yet, in truth, he was only in the position of head clerk of the establishment, and was allowed a salary of £1,000 a-year, coupled with the circumstance that he was in France when the alleged disposal of the securities took place, the bench, he trusted, would be induced to liberate him on bail.

Mr. Jardine said the present stage of the case would not enable him to distinguish the difference in the offences charged against the prisoners; therefore, he must refuse the application.

The prisoners were accordingly remanded for another week.

On the 11th July the examination was resumed, when—

Mr. Bodkin said that those who had instructed him had hitherto acted under the presumption that the securities of Dr. Griffiths had been carried to the house of Messrs. Overend and Gurney, where advances had been made upon them, as communicated by Mr. Strahan. Every possible facility had been rendered by Messrs. Overend and Gurney in the matter, and after the fullest examination it was found that the information which Mr. Strahan had given was erroneous; they had been unable to trace the numbers of the stock as corresponding with that at the above house; and he (Mr. Bodkin) believed that it had been clearly ascertained that the securities which Sir John Paul had carried to the city, and were made the subject of the loan from Overend and Gurney, were not Dr. Griffiths' securities. That being the case, it became necessary to make a more minute examination of the books and accounts of the prisoners, and in order to afford a reasonable opportunity of tracing the securities it would be his (Mr. Bodkin's) duty to ask for another remand. But he could not refrain from remarking that in pursuing their inquiries they had met with considerable difficulties from the official assignees of the prisoners' (bankrupts') estate. Books and information had been withheld from them and other obstacles thrown in their way. However, an appeal had been made in another quarter, and they had now been informed that every assistance would

be rendered, but the offer came so late that they had been unable to avail themselves of it on that occasion. He would add that Mr. Burnand, one of the parties who was stated to have made advances upon the securities, was present. The securities had not been left with him, and that gentleman was prepared to answer any question that might be put to him on the subject. He (Mr Bodkin) would call the two witnesses who were in attendance.

Mr. Jas. Watts Peppercorn said: I am a broker in the city. I produce a note for the purchase of some Danish Stock, for Dr. Griffiths, through Messrs. Strahan, Paul, and Co. It is dated February 2, 1852. I do not remember the individual who gave me the order. This is a note for the purchase of Danish Stock, dated February 27, 1844. On the 29th of June, 1843, I find an entry of the purchase of Dutch Stock for Strahan, Paul, and Co. On the 10th of July more stock was purchased. It came in the book in the usual way. I am not aware that I have been employed by them to sell stock. Last March we had some securities left in the way of loan. On the 16th May, 1854, I had left at my office Dutch Stock of the value of £5,000. Hodges and Davis were my predecessors in business. They are both dead.

Mr. Burnand, stockbroker, of Lombard-street, said—In the beginning of last year I received deposits of Danish Stock from Messrs. Strahan and Co. These transactions appear on my books, which I shall be most happy to show.

Upon this evidence, a further remand took place.

On the 18th July, the prisoners underwent another examination, when

Mr. Bodkin said that, since the prisoners' remand, they had been allowed to examine the books of the prisoners, with a view of tracing the property of the Rev. Dr. Griffiths, and they were found to be of such a voluminous character, that they had been obliged to call in the services of an able accountant, and, although the examination had been carried on with the greatest despatch, it had not as yet been pursued to such an extent as would enable him to proceed with the case that day. He would say that the examination, as far as it had gone, was not without some result of an important kind, but he felt that it was not sufficient to justify him in continuing the inquiry, until a more complete search could be made. He promised that no unreasonable delay should take place, but he could not say that the examination would have so far proceeded as to allow of the charge being further gone into next Wednesday. He therefore thought it best to at once ask for a remand for a fortnight.

Mr. Ballantine said that when the matter was ripe for discussion, he had several points to submit to the court. As far as the case had gone, he had not drawn his worship's attention to the word "deposit," or other matters bearing upon the charge. At present he had no objection to offer to a remand, but he trusted there would be no unnecessary delay in carrying on the examination. He would not say that there had been anything unreasonable in asking for the several remands, but bringing up the gentlemen whom he represented, day after day, with the exposure, was most inconvenient and painful.

Mr. Jardine said, as the act of Parliament only allowed a week's remand, the prisoners would have to be brought up *pro formâ* on the 25th July, when he would again remand them for another week. He trusted that they would then be in a position to go on with the case.

On the 25th July the prisoners were again placed at the bar, when they were informed that they were again remanded till the 1st August.\*

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### THE CIRCULATION OF FICTITIOUS WARRANTS.

THE proceedings against Messrs. Davidson and Gordon, in connection with the circulation of fictitious warrants, have not yet concluded, and it will be perceived that the City Solicitor has been instructed to prosecute, with the view to a thorough investigation of these enormous

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\* At the Court of Bankruptcy on the 26th of July, an adjournment of the bankrupts' examination was made until the 9th of October, the accounts not being ready. The debts proved, altogether reach nearly to £300,000, and the total claims represent about £680,000.



frauds. Public interest demands that no partial inquiry should take place, the extent to which these fraudulent transactions have been carried having compromised the position of several mercantile establishments. It will be necessary to exercise vigilance, in order that the culprits may not escape, although the evidence is of a character to leave little doubt of the result. The annexed is a summary of the investigation, since our last publication.

On the 26th June, the charges against the prisoners Daniel Mitchell Davidson and Cosmo William Gordon were proceeded with at Guildhall Police Court, before Sir Peter Laurie.

At the last examination of the prisoners, whose recent failure is estimated at the enormous amount of £500,000, they were committed for trial upon three separate charges, under the Bankruptcy Law Consolidation Act of 1849, which imposes a penalty of not more than seven years' transportation or four years' penal servitude for each of the two offences of not surrendering, and embezzling a portion of their estate, and of not more than two years' imprisonment for the offence of obtaining goods on credit under false pretences within three months of their bankruptcy. They were, however, remanded for inquiry into a number of transactions which, from the evidence, appeared to disclose frauds of a very serious character, and to a very considerable amount.

Sir Peter Laurie presided, and said—From the grave character and great extent of the frauds disclosed before me, and the only interest which any individual has in prosecuting this case arising from a sense of public duty, and involving great trouble and expense, probably to persons who have already suffered greatly, I feel it right to direct the City Solicitor to prosecute this case at the Old Bailey, in order that there may be no failure of justice from want of prosecution; and I believe that the funds of the corporation cannot be expended more legitimately than in protecting the interests of the trading community. I have directed this prosecution, with regard to the frauds not connected with the bankruptcy, from information I have received from various merchants; but, as they are not yet prepared with their evidence, it is not my intention to take any examination to-day, but to remand the prisoners for another week, when the City Solicitor will use every means in his power to bring them to judgment upon the matter of the false warrants, and I hope that all those who have been defrauded will come forward and state clearly the nature of the frauds of which they have been the victims.

Mr. Clarkson said—Then I am to understand that this remand takes place on account of communications made to you, sir, not upon oath, that lead you to believe the purposes of justice will be advanced?

Sir Peter Laurie—Exactly so.

On the 3rd July, the prisoners were again placed at the bar, and were again remanded, without any additional evidence having been gone into.

On the 10th July, the examination of the prisoners was proceeded with, but on that occasion Joseph Windle Cole, who is at present lying under sentence of four years' penal servitude, was brought up on a *habeas* from Newgate, and placed at the bar with Davidson and Gordon.

The City Solicitor said it was his intention to prefer a charge against Davidson and Gordon of conspiring with Cole to issue fraudulent warrants. He also charged them with conspiring with one Maltby, now deceased, for the purposes of fraud.

Timothy Tooney deposed that he entered Maltby's service in 1851, as a labourer at Hagan's wharf, and lived upon the premises. Maltby's name was over the gateway and the counting-house door. Witness was frequently sent to Cole, at 19, Birchin-lane, with letters, and took back letters which he received from Cole's clerk. Maltby told witness if any gentlemen came into the office, that he was always to walk out. Witness was about four years on the wharf. During that time he had seen Gordon and Maltby together at the wharf. Gordon came down to the wharf and wanted to see some goods in the shed on the wharf. Maltby came in and told witness to open the gates. They then went on the wharf and into Mr. Groves's warehouse, and looked at the goods within.

Had seen Maltby and Gordon in the counting-house together on other occasions. Had seen Cole at Hagan's wharf upon only two occasions, and then Maltby was with him. Shortly after witness went there, about 1,000 boxes of tin, weighing 1 cwt. each, were landed at Hagan's wharf, and put into the shed. There was no steel on the wharf at that time. Some of those goods were placed in Groves's warehouse, and the remainder were shipped off. There were other goods brought from time to time, copper, spelter, &c., some of which was stored in Groves's warehouse, and some was shipped. These goods were placed in Groves's warehouse by Maltby's directions. Sometimes goods, as they arrived, were taken at once to the warehouse. There was a door close to Maltby's counting-house leading into Groves's wharf. There was another door for the admission of goods to Groves's warehouse from Hagan's wharf. Before Maltby left he told witness to clear the place, as he was going into the country, and should like to have the books sent into the City until he came back. He said that whoever came from No. 4 or 19, Birchin-lane, with the key, was to have the books. Mr. Garner, clerk to Mr. Cole, fetched the books away from the wharf. It was about two or three days after Maltby left that the books were taken away. Witness was not able to give the dates of any of the transactions alluded to. There was a very large quantity of goods sent to Hagan's wharf at different times. At one time Maltby's warehouse was quite full, and then the goods were put into Groves's warehouse.

Mr. Philip Vaughan, of the firm of Freeman and Copper Company, Bristol, repeated the evidence given by him on a former occasion, respecting certain warrants purporting to represent Swedish steel and tin plates lying at Hagan's wharf, which came to him in a letter written by Davidson, towards the end of 1853. The warrants were charged as security for money owing to his firm by Davidson and Gordon. Witness believed the indorsement of them was in the handwriting of Cole, to whom the goods purported to be made deliverable. In February, 1854, his firm received another warrant (as security for a further advance of money) for 100 tons of spelter, said to be at Hagan's wharf, and deliverable to Davidson and Gordon. The signature of Davidson and Gordon was in the handwriting of the latter. They had not recovered either the goods or the money.

Mr. Augustus F. Elmsley said—I am clerk to my brother, who is a solicitor, at 47, Moorgate-street. In consequence of instructions received from Mr. Vaughan, I went to Hagan's wharf for goods specified in the warrant produced by him. I saw Maltby in the counting-house, and I said I wished to know the size or the weight of the spelter contained in that warrant, and that I should also like to see it. He referred to the books, and said there were about 9,000 plates, weighing from 30lb. to 34lb. each, but he said they were a mixed parcel. I afterwards wanted to get them transferred, and I went there in April for that purpose, when I tendered the amount of the charges due upon them, but Maltby said he had a lien upon them, and the amount of the import rate was 5s. per ton. I saw Maltby only once after that, and when I sent down an order for the goods I could not obtain them, so I served them with a writ.

Mr. David Barclay Chapman, of the firm of Overend, Gurney, and Co., Lombard-street, said—In the month of July, 1853, we continued an advance, which we had previously made, to Davidson and Gordon. I have the borrowing note with me. It is dated the 7th of April, 1853, and it was re-arranged in July, when the result of the aggregate of a number of small loans left a sum of £92,000. On the 7th of April we had a formal settlement of a class of accounts secured by warrants with Davidson and Gordon.

The City Solicitor here said that Mr. Chapman had, with the greatest frankness, produced his books, which had enabled him to unravel much that had been thrown into confusion for the want of those books on a former occasion.

Mr. Chapman—When the settlement took place there was found to be £92,000 due to our firm by Davidson and Gordon, in respect of advances from time to time on warrants for copper and spelter. The borrowing note states that the sum borrowed is £92,000, and that the security consists of warrants for copper and spelter to the value of £132,000. I produce the warrants, fifty-one in number, included in the schedule attached to the borrowing note, all of which repre-

sented the goods as lying at Hagan's wharf. In September, 1853, I threatened to sell the goods expressed in some of these warrants, in consequence of something that had taken place in reference to Davidson and Gordon. We sold 300 tons of spelter on the 27th of September, and 100 tons on the 28th, and when we wrote to advise Davidson and Gordon of those sales, and inclosed them the contracts for them, they sent back the contracts, saying they would not recognise the sales, as they had no power themselves to sell. On the 11th of October they wrote for the contracts of the spelter we had sold. That letter was written in consequence of sales we had made on the previous day. Gordon wrote the letter, and inclosed a proposal for an arrangement, as far as regarded the small loans. I sent a person to see the spelter, and make inquiries about the goods, in consequence of certain expressions and the tone of Gordon's letter; but from what subsequently transpired, I went to Cole instead of following up those inquiries. This was on the 13th of October, 1853. I inquired of Cole whether all was right with regard to these warrants, to which he replied, that it was not all right—there was something wrong in Hagan's wharf warrants. I told him that we had similar warrants deposited with us by Davidson and Gordon, and asked him to inform me if they were in the same condition. He said they were, and that he had lent the warrants to Davidson and Gordon, and, not being able to get them back again, he had obtained possession of the goods. I then requested him to call on me after business hours, and give me full particulars, and he accordingly came the same evening, with Gordon. The substance of the interview has already been reported.

Mr. Henry Hoffman said—I am a merchant and colonial broker. I produce two warrants, which I received from Gordon. He had to make me a payment of £1,200 on the 11th of March, 1854. He could not make up the amount, and he therefore gave me these two warrants. The indorsement on one is to Davidson and Gordon, and the other to Cole, Brothers. The money for which they were given has not been paid, and I therefore sold them, when they were discovered to be bad. They were eventually returned to us as not having been realised. I had occasion to go into the country, and left my clerk to manage my business in my absence. I made advances to Davidson and Gordon up to the 1st of May, 1854. My clerk had a general authority to advance money for me to Davidson and Gordon, and when I returned to town my clerk gave me some warrants, which he said he had received from Davidson and Gordon. These are the three warrants. I sent them for sale with the others, and they were returned to me after they had been sold, there being no effects for them.

Mr. John F. Figge said—I am clerk to Mr. Hoffman. During his absence, Gordon applied to me for an advance upon the security of spelter warrants. I was induced to make the advance, because he represented that he had seen Mr. Hoffman on the subject, and that he told him I was to let him have the money. This was in June, 1853, and I gave him £2,400 for eight days, upon four warrants for spelter. I should not have made the advance, if he had not made the representation he did.

Mr. Alfred Stovell said—The six warrants produced by Mr. Hoffman were placed in my hands by his bankers to make sales. We made sales of the goods represented in the warrants, and Cole purchased them, and he was to have paid for them in November, 1854. Payment has never been made, and I returned the warrants. They were sold on the 20th of June, 1854.

At this stage of the investigation the proceedings were again adjourned.

On the 15th July, the three prisoners were again brought up, when the City Solicitor said he had received a communication from Cole's assignees, who stated that they were then engaged in unravelling Cole's affairs, in the course of which they anticipated eliciting very important evidence for this prosecution.

Evidence was then gone into to show that the metal warrants upon which Messrs. Davidson and Gordon had obtained various large sums of money were fraudulent, and did not relate to the metal which was shown at the wharf.

The prisoners were then again remanded.

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## RUSSIAN COMMERCE IN THE BLACK SEA.\*

THE origin of this commerce dates only from the latter end of the 18th century. Under the dominion of the Turks, the Black Sea remained closed to the commerce of Europe, the ruins of the Greek colonies and Genoese establishments alone serving to attest its ancient state of prosperity. The Treaty of Qainardji (1774), by opening the navigation to Russia, produced no change in this respect: the country upon which the great Peter had scarcely bestowed a fleet, was possessed of no merchant marine, and European vessels were as yet prohibited from passing the Bosphorus. It was only after the partition of Poland, when the peace of Jassy, by confirming Russia in its possessions of the West, had opened for that country the first route towards the Danube and the Bosphorus, that the port of Odessa, built upon the site of the little Tartar village of Katchibey, appeared, both from the choice of its situation, and the effects of its rapid rise upon a country previously almost desert, to secure for itself those advantages which have since contributed to render it the mistress of the commerce of the Black Sea.

By an ukase of the 1st of May, 1803, the Russian Government had lowered the *droits* of entry into all the ports of the Black Sea 25 per cent., and accorded to the city of Odessa, by an imperial edict of the 9th of March, 1804, the right of "*entrepôt*" for eight years, a privilege which, in the following year, was extended to the period of its erection into a free port.

Taganrog, which, from its favourable position at the extremity of the Sea of Azof, had suddenly acquired a considerable importance, chiefly in relation to its imports, already enjoyed a similar right, conferred upon it by an ukase of the 3rd of March, 1803.

This measure was productive of considerable advantage to the mercantile community, who were thus enabled to consign their merchandise to the warehouses of the "*douane*" for the space of eighteen months, without payment of duty. At length, at the commencement of the year 1801, the French, the English, the Dutch, and the Prussians, obtained permission to pass the Bosphorus; and two years after, in 1803, Odessa, which numbered scarcely 8,000 inhabitants, beheld the entry into its port of 530 foreign vessels. The exportation of grain amounted this year to 600,000 tchetwertst† (432,720 imperial English quarters), of the average value of five silver roubles. The following year it did not exceed 382,236 quarters, but in 1805 it rose again to 556,480 quarters. The latter year was, in fact, particularly favourable to the commerce of the Black Sea, for the Revolution having suspended the relations of France and Italy with the other European States, and

\* (1.) *Atlas de la Mer Noire, dressé à St. Petersbourg, pour le Dépôt des Cartes Hydrographiques*. Nicolajew, 1841.

(2.) *Memoirs of the Hydrographic Department*. (In Russian.) St. Petersburg, 1844.

(3.) Taitbout de Marigny, *Portulan de la Mer Noire, et de la Mer d'Azof*. Odessa, 1830.

(4.) Wil. von Reden, *Statistics of the Civilisation of Russia*. (In German.) Leipsic, 1850.

(5.) Von Haxthausen, *Etudes sur la Russie*. Berlin, 1847-1852.

(6.) Stuckenberg, *Essay on the Topography and Statistics of the Russian Empire*. (In German.) St. Petersburg, 1850.

† The tchetwert, the principal measure for corn in Russia, contains a little more than five bushels three pecks English, hence 100 tchetwerts equal 72·12 imperial quarters.

closed the Mediterranean to the trade of the East, Trieste became the sole *entrepôt* for negotiation with the Levant. The war also, by rendering the scarcity permanent, compelled recourse, for means of subsistence, to the granaries of Russia. At length, when Trieste had itself fallen into the power of the French, Odessa became momentarily the centre of commerce, and received in transit all the merchandise which the political situation of affairs had driven away from the Dardanelles. This accidental deviation in the current of trade was productive of a profit of no less than two millions of roubles to the city; but the war with Turkey, and the invasion by the French armies of the Russian territory, soon put an end to the passing prosperity of the latter country.

Nevertheless, so great was the impulse which its commerce had received, that at the peace of Tilsit, when the equilibrium of Europe was again established, Odessa, in losing the species of monopoly which it had for a moment enjoyed, derived from the new order of things an advantage more durable, by participating—from its position—in the importance which the Black Sea began to acquire in the commerce of the Mediterranean.

The genius of Peter the Great had early divined the importance of this commerce: it is known that he had undertaken to revive the navigation of the Greeks and Genoese, and to make Russia the centre of negotiations between Europe and Asia. With this object, he founded Taganrog. He contemplated, moreover, connecting by means of canals, of which he himself furnished the designs, the Neva, Dwina, Don, and Volga, and thus to open up new routes from the Baltic to the Black and Caspian Seas, and from these again to the Southern Ocean.

The inhospitable character of the Euxine\* has been celebrated from the days of Homer downwards; and the sombre and gloomy appearance of its shores, covered in many places with dark and impenetrable woods, together with the thick fogs and sudden tempests to which it is subject, have doubtless contributed to originate and preserve its modern title of the Black Sea. There is little doubt, however, that interested motives have induced the Russians, in a great measure, to magnify the perils of its waters, the modern reports of English and other mariners tending to show that its navigation is neither difficult nor dangerous. Its coasts, generally flat on the sides of Turkey and of Russia, become steeper to the south-west of the Crimea, towards the Caucasus, and upon the wooded shores of Asia Minor; they nearly everywhere, however, afford excellent anchorage, the soundings, at the distance of one to two miles from the land, giving a depth of 120 to 180 English feet, and the declination of the beach is so insensible, that the position of vessels may be calculated almost to

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\* The etymology of this word has been the subject of considerable disquisition. The Greek word *euxeinós* in reality means hospitable. Arrowsmith, in his "Compendium of Geography," page 660, suggests that the original name was *azeinos* or inhospitable; and that the alteration was effected in the course of time, when the savage manners of the people who dwelt around it had become gradually softened by intercourse with foreign nations, and by the numerous colonies planted upon their coasts. An opinion has recently been advanced, that its modern title of the Black Sea, is attributable to the existence of coal at Heraclea: in support of this hypothesis, it is ingeniously contended that all such names have relation to the actual physical aspect of the country. For instance, the terms Edom, and the Red Sea, are to be referred to the red sandy soil; the white cliffs of our own country have bestowed on it the well known name of Albion; and the White Sea is so designated from its proximity to the regions of ice and snow.

a quarter of a mile. It possesses but one rock of a really dangerous character, situated about twenty-five miles east of the Bosphorus, and sand-banks are rarely to be met with; the winds, it is true, are very variable, shifting suddenly from one point to another, and seldom blowing from the same quarter for forty-eight hours together.

Of a very different description is the Sea of Azof, which possesses in no part depth of water sufficient to float large vessels, and is, properly speaking, nothing more than an immense marsh or swamp. Its shores are generally flat, sandy, and but ill adapted for anchorage. The strait of Jeni-Kalé, which forms the entrance to it, has only thirteen feet of water in its deepest part. Notwithstanding the inconvenience of its navigation, however, this sea affords numerous advantages to commerce. Enclosed on all sides by the Russian territory, it receives, at the same time, the products of the Caucasus, from the Black Sea to the Caspian, and those of Siberia, which arrive by the Don and the Volga, in lieu of taking, as formerly, the way of the Baltic. The exchange of commodities effected between the governments of Iekaterinoslaw, of the Tauride, of Kharkow, and of Woronege, would be in a manner interrupted, and Moscow obliged to pay much more dearly for its wines, oil, and a multitude of other articles of the first necessity, if the Sea of Azof did not now serve to transport them. The navigation, which is suspended early in November, on account of the ice, is resumed again in the spring, about the end of March or beginning of April. The haven, constructed by Peter the Great, is now in ruins, and vessels are obliged to find shelter in the Don during the whole of the winter season.

Three great rivers, viz., the Danube, the Dnieper, and the Don, are the natural channels by which the products of Russia reach the Black Sea:—The first, which barely touches at its mouth that corner of land which forms the extreme limit of the Russian possessions on the side of Turkey, serves principally as a channel for the foreign merchandise which arrives from Europe by way of the Bosphorus. The Dneiper, navigable as far as Smolensk, situated about 215 miles from its mouth, flows through the various departments of Minsk, Kiew, Pultawa, and Kherson, &c., receiving in its course several tributaries, which place it in communication with Kursk, Ourel, and Kharkow. The gulf formed by its embouchure to the north of the Black Sea, although less enclosed by the land than the Sea of Azof, is surrounded by provinces better cultivated, and more populous. The principal *entrepôt* for commodities which descend this river is Kherson, where they are warehoused for account of the merchants at Odessa, before being dispatched by means of the small coasting vessels to the latter city. The Dneiper has only seven and a-half feet of water at its mouth, a circumstance which obliges merchant vessels to cast anchor in the little port of St. Stanislaus, about forty versts\* (twenty-six and a-half English miles) from the town of that name, and to discharge their cargoes by means of barges. The efforts which were in progress to render its passage navigable for vessels of a larger size have been interrupted by the war. The Don is navigable 145 miles distant from its mouth, near to its confluence with the Sosna. It traverses the Government of Woronege, and the country of the Cossacks, on whom it has bestowed its name. The vicinity of this river to the Volga, from which it is distant only about forty miles, enables it to receive a great portion of the products of the north, which have no other outlet upon the Caspian Sea. The Sea of Azof being much contracted towards the part into which this river empties itself, affords only a difficult passage for navigation; the

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\* The verst, or Russian mile, contains 5 furlongs 12 poles English.

mouth, also, is so much obstructed by sand-banks, that only vessels of five or six feet draught of water can enter its shallow channel. This accumulation is caused partly by the alluvial deposits of the river, and partly by the north-east winds, the natural dams or barriers thus formed being made available for the prosecution of the fishing trade. It was on this account that Peter the Great fixed the situation of the port of Taganrog at twenty miles distance from its mouth, where the waters, at that time considerably less shallow, permit vessels of a large size to approach in close proximity to the shore.

The other affluents of the Black Sea, viz., the Pruth, the Sereth, the Bug, and the Dneister, are possessed of little or no importance in a commercial point of view. The Pruth, which forms the frontier of Bessarabia, is not navigable; the Sereth, which separates Moldavia from Wallachia, is only so for rafts; the Bug is navigable as far as Wosnezensk, with the two insignificant ports of Nicolajew and Otchakow; the latter, however, affords an excellent outlet for articles of importation coming from Odessa.

The artificial communications which Peter the Great was desirous of establishing between these rivers, and those which empty themselves into the North Sea, have been in part executed by his successors, although they fall considerably short of his own gigantic designs. The Black Sea, for example, already communicates with the Baltic by four navigable routes. The first is by the Dwina, the canal of Bérézina, and the Dnieper; this canal, however, notwithstanding its width (which is nearly 100 feet), and the excellent condition of its sluices, &c., is so badly supplied, that during the summer the water is scarcely sufficient for floating rafts. Its principal *entrepôts* are Riga, Dunabourg, Kiew, &c. The second route is by the Vistula, the Bug, and the Dnieper, by means of the junction effected between the two latter streams by the royal canal, thirty-six miles in length and sixty-four feet in breadth; *entrepôts*, Modlin, Prusk, Mosyr, &c. The third is by the Niemen and the Dnieper, re-united by the canal Oginski; principal places, Kowno, Grodno, &c. The Niemen and the Vistula communicate as well by means of the Augustow canal and the course of the Narew. The fourth is by the canal of Windau, the Niemen, the Vistula, and the Dnieper.

A single road of the best class unites Odessa with the ancient capital of Russia, viz., that of "the south," 900 miles in length, and constructed almost throughout upon causeway, passing by Orel, Kharkow, Pultawa, and Nicolajew. Amongst the various railways either projected or in course of execution, the three lines which in any manner affect the commerce of the Black Sea are—1st, that between Moscow and Odessa, a continuation of the line already opened between the former city and St. Petersburg, which will pass through Toula, Orel, Kursk, Kharkow, Pultawa, and Olbiopol upon the Bug; 2nd, that from Kharkow to Kaffa, by Pultawa, Kherson, Perekop, &c.; and, 3rd, that from Odessa to Brody, upon the frontier of Galicia, which rejoins the route from Moscow at Olbiopol.

The number of merchant vessels freighted at the different ports of the Black Sea, was, towards the end of 1852, two hundred and five, measuring together about 26,000 tons, besides 7,026 coasters. The transit operations of these ports were estimated for the same year at 10,943 arrivals of ships of all tonnage, of which 4,653 sailed again in ballast, and 6,290 with cargoes to the value of 16,479,313 roubles (about £2,600,000 sterling).

Odessa was until recently the central station of the steam navigation trade, maintaining regular communications with Constantinople, Ismail, Sulina, Reni, Galatz, Kherson, and Nicolajew; with the Crimea, by Eupatoria, Sebastopol, Yalta, Theodosia, and Kertch; and lastly, with Soukhoum-Kalé and Redout-Kalé, on the coasts of Circassia. A second service was

established between Owidiopol and Akkierman; a third between Kertch and all the ports in the Sea of Azof, Berdiansk, Mariopol, Yeisk, and Taganrog; a fourth between the latter place and Rostow; a fifth extended from Kertch to Soukhoun-Kalé by Anapa, Noworossisk, Nowotwisk, Teminsk, Nowognsk, Pezund, Binmbur, &c. All these lines, with the exception of that with Constantinople, which was performed without interruption, had only eight months' duration, viz., from the end of March to the end of November.

Such, then, are the different routes which nature or the hand of man has opened to Russian commerce in the Black Sea, and the general state of its means of transport. Let us next proceed to take a glance at the principal ports, and what has been, during the last few years, the nature and extent of their operations.

These ports, commencing by the west, are, Reni, Ismail, Kilia, and Sulina (excluding those of Ibrahila and Galatz), situated in the species of delta formed by the mouths of the Danube, of which the territory, watered at the same time by the Pruth, the Sereth, and the Danube, is the key to the commerce of Bessarabia, Moldavia, Wallachia, and Bulgaria; Akkierman, Odessa, and Kherson, on the fertile waters of the Dnieper; Nicolajew, Otchakow, and Ghirly, on the Bug; Eupatoria, Sebastopol, Balaklava, Yalta, Theodosia, and Kertch, on the coasts of the Crimea from Pérékop to Jeni-Kalé; Taganrog, Rostow, and Nachitchewen, at the mouth of the Don; Mariopol, Berdiansk, Jeisk, on the southern side of the Sea of Azof; and, lastly, on the eastern shores of the Black Sea, Redout Kalé in Mingralia, Soukhoun-Kalé and Gagry in Abchasia, and Gelendchik, Soudjouk-Kalé, Zemess (Noworossisk), and Anapa in Circassia.

*Ismail*, situated on the left bank of the Kili (a branch of the Danube), is at once a military fortress and a port, conquered from the Turks by Souwaroff, in 1789, after a memorable siege. This city is at the present time the *boulevard* of Bessarabia, on the side of the Ottoman Empire. Its population, which in 1838 scarcely amounted to 3,000, is now upwards of 30,000. The commerce, consisting only of a small coasting trade with Constantinople, has just experienced a sudden interruption by the war; textile articles, either raw or manufactured, such as wool, hemp, flax, rope, &c., forming the principal objects of it. This port possessed, as late as the end of 1853, only two vessels of 200 tons, and about a score of small coasting craft, belonging for the most part to the Greeks and Bulgarians. From the returns published, it would appear that seventy-one vessels were cleared outwards in the course of the same year; of this number forty-three carried cargoes, estimated at about £9,000 sterling. The importations from 1850 to 1852, have been valued at £105,000, and the exportations at £250,000.

*Reni* and *Kilia*, situated, the former on one side of Ismail, at the mouth of the Pruth, the latter on the other, on the branch of the Danube which bears its name, comprise together a population of from 18,000 to 20,000. Notwithstanding their excellent situation, and the facilities which their ports afford for steam navigation, commerce is rarely found to take this route, in consequence of the delay and obstacles occasioned by the formalities of the custom-house. *Reni* possessed in 1851 only six small coasting vessels; its importations since 1850 have been to the value of about £37,000, and its exportations £43,000.

*Sulina*, a fortified port, recently established by the Russians upon the branch of the Danube which bears its name, between Kili on the north and Georgewakoi on the south, possesses no other importance than that of commanding the only arm of that river of which the passage is accessible to large vessels. The convention concluded in 1815 between Austria and Russia, by which the latter power engaged to preserve it at all times navi-



gable, was renewed on 5th September, 1840, but without ever having been carried into execution. From the maritime chart prepared in England in 1834, the minimum depth of water upon the bar was at that time thirteen feet; but since the Russians have been in possession of the entrance to the river, it has fallen to seven or eight feet, and at low water even to five feet.

*Akkierman*, the ancient Alba Julia of the Romans, rebuilt by the Genoese, at the mouth of the Dniester, twelve miles distant from the Black Sea, and conquered from the Turks in 1799 by General Platoff, possesses about 12,000 inhabitants. It contains extensive fisheries, and salt springs, but numbers only six or eight small vessels, for the performance of its limited coasting trade. There sailed from its port in 1852 only twenty-four vessels, of these nine were in ballast, and the remainder with cargoes valued at about £3,700.

*Odessa*, the capital of New Russia, founded in 1794, under Catherine II., mainly through the instrumentality of the Duc de Richelieu, numbers at the present day 95,000 inhabitants, and holds the third rank among the principal towns of the empire. Situated upon the Dneiper, at the point of junction of the three basins formed by that river with the Dniester and the Don, its position, at the extremity of the gulf, on one side of which open the mouths of the Danube, and on the other the ports of the Crimea, is evidently favourable for maritime commerce. The neighbourhood of the Austrian and Polish frontiers also facilitates the transit with these two countries. Its port, however, is indebted vastly more to art than to nature. It is enclosed by two moles or piers, and sheltered from the winds of the east and north-east by fortified works. The roadstead is sufficiently capacious to contain with ease 300 vessels, the waters affording an anchorage, on an average, of seventeen feet, or twenty-four in their greatest depth. The soundings give, at a distance of about a mile from the shore, a depth of six fathoms, but the harbour is said to be imperfectly defended from rough weather, and it has the additional disadvantage of being frozen in during six months of the year by the ice. The bottom is very foul, and obstructed by anchors, which occasion numerous losses amongst the shipping, notwithstanding a company of divers from Kalimnos are incessantly engaged in fishing them up. The mole forming the quarantine possesses a frontage of 783 feet, the sea being twenty-two feet in depth at its extremity, and twenty only at the entrance of the port. The water, however, frequently falls as low as five or six feet, a circumstance which prohibits vessels from approaching the quay, where all the magazines, the various offices of the port, and the parlour of the quarantine are situated. In front of this quay is space for about 200 vessels, but the water towards the angle of the mole being only ten or twelve feet deep, excludes all but those of a comparative light tonnage. The rest of the port is practicable only for boats or light craft, entry and exit being possible during calm weather alone, in consequence of the risk of collision with the Pratique port, from its exposure to the north-east and north-west winds. The greatest depth of the bay is eight fathoms, but only vessels of a light draught can venture, in tacking, within a quarter of a mile of the port before mentioned, where there exists but two and a-half fathoms water.

Previous to the declaration of war, and consequent blockade by the allied powers, the commerce of Odessa was very extended. In immediate relation with Trieste, Leghorn, Marseilles, Barcelona, and London, it communicated also by a regular service of steamboats with Constantinople, and nearly all the ports of the Black Sea. Vienna was the only place in Germany with which its merchants directly carried on business, by way of Brody, the centre of expedition between the two cities. This commerce, although greatly augmented during the last twenty years, has frequently varied in the proportion of its imports and exports. The value of the latter

has only quadrupled, whilst that of the former is at least six times greater for the same period. Thus, notwithstanding that grain has always been the principal object of the latter commerce, the maximum amount, except in a time of war, has never exceeded twice the value of the smallest sum of its importations. The price of the *tchetwert* of corn, however, has varied from seven to forty-five roubles. The other articles of commerce, such as iron, leather, wool, flax, skins, oil, wax, tallow, and butter have experienced for some years past a demand, less considerable it is true, but more constant, and of which the increase has presented a more equal proportion to the imports.

The year 1852 was one of the most favourable since that of 1847, for the exportation of grain from Odessa. There were shipped in foreign vessels no less than 1,892,016 *tchetwerts* of corn (1,364,522 imperial quarters), of the value of 14,066,032 roubles (about £2,227,000 sterling); that is to say, 644,489 quarters more than in 1851. The stock of grain in its magazines, transported from the interior of Russia, amounted to 1,514,520 quarters of wheat, and 1,153,920 quarters of other cereals. The commercial tables for 1852 record the export of rye at 216,590 quarters, and that of maize at 226,012 quarters; barley, oats and other leguminous products figure in the same proportion. The export of ropes, cables, twist, thread, &c., all highly important objects of commerce to Russia, attained in the same year to 39,681 *poods weight\** (about 638 tons English); that of tallow amounted to 115,716 *poods* (1,860 tons), and other articles, raw and manufactured, to the value of £28,630.

In 1853, the exportation of grain, in consequence of the scarcity, exceeded even what it had been from the same cause in 1847, viz., 2,254,784 quarters of wheat, 197,243 quarters of rye, 251,428 quarters of maize, exclusive of other cereals, together with 2,618 tons weight of wool, 814 tons of tallow, and sundry other commodities, shipped in 2,246 vessels, and valued at £5,565,000 sterling.

The articles of import are much more various, consisting principally of colonial commodities, cotton in its raw and woven state, dried fruits, wines, sheet-iron, leaden and tin utensils, chemical and pharmaceutical materials, and all kinds of manufactured products, of which the value in 1852 exceeded seven millions of roubles (£1,108,000 sterling). The total amount of the imports from 1850 to 1852 was £1,414,000, and that of the exports for the same period £2,893,000. Odessa received also £506,000 of foreign money, and the receipts from the customs amounted to about half a million sterling.

It is only necessary, for the purpose of preserving the geographical order, to mention here the ports of Kherson, Nikolajew, Otchakow, and the recently erected town of Ghirly, none of these places possessing any direct foreign commerce. They are only of importance as *entrepôts* for merchandise coming from the interior of the country.

*Eupatoria*, the ancient Tartar city of the Guicuzleve, upon the western coast of the Crimea, possessed of a flourishing commerce (principally with Turkey) under the khans, is at the present day considerably shorn of its former importance, and numbers scarcely 8,000 inhabitants, notwithstanding the Russians have represented them at 14,000. The port is flat, badly sheltered, and but little accessible to large vessels, which are obliged to cast anchor at a considerable distance from the coast. However, its proximity to Odessa, and the wealth of its merchants, Greeks and Armenians, have

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\* The *pood* weighs 36 lbs. 1 oz. 11 dr. *avoirdupois*, or in ordinary computation 36 lb.

latterly conferred upon it, with relation to its exports (excepting perhaps the article of iron), a great advantage over Theodosia, and since the year 1840 it has rivalled the latter place in the amount and value of its imports also. The principal products are corn, salt, leather, alkalies, wool, and butter. The exports were valued for the year 1852 at £15,300, and the imports of foreign merchandise, principally coal, amounted in the same year to £18,800, besides £1,000 of specie. This port numbers about 150 small coasting vessels.

*Sebastopol*, notwithstanding its importance as a military port, has hitherto only carried on a limited coasting trade with Russia and the Sea of Azof. Its civil population is estimated by some at 5,000, and by others at 6,000. The spacious roadstead, presenting an easy access, and perfectly sheltered towards its extremity, is well known: the average depth of water in the great bay is from eleven to twelve fathoms; it diminishes, however, towards the entrance to the inner harbour, where the soundings give only three fathoms. The sand-banks, although numerous, are easily evaded, their position being indicated by buoys, and two light-houses, placed in the axis of the port, the one at upwards of 400 and the other of 600 feet above the level of the sea, serve to determine the passage of the harbour by their coincidence upon the line of vision. The commercial port is, at present, so much neglected and decayed as scarcely any longer to be deserving of its title. The haven of *Balaklava* is safe, but difficult of access. A single Russian ship appeared there in 1852, having on board merchandise to the value only of 648 roubles (a little more than £100 sterling). *Yalta* possesses a spacious harbour, at the extremity of the bay formed by the promontory of *Nikita* and the cape of *Ai-Todor*. Previous to the war, it was visited annually by fifty-five or sixty steamboats; 592 coasting vessels entered the three ports of Sebastopol, Balaklava, and Yalta, during the year 1852, and 564 cleared out with cargoes, consisting of the various products of the country—grain, salt, wool, butter, morocco, &c. The importation of foreign merchandise, principally from the Russian ports, amounted in value to £149,000, and the exportations to £37,000.

*Theodosia* (6,000 inhabitants), a free port, situated at the extremity of the bay of *Kaffa*, at the point of junction of several routes, has long been the principal *entrepôt* for the productions of the Crimea; at the present day, however, this place has yielded greatly in importance to that of *Eupatoria*. Its exports, like those of the latter town, consist of grain, and the raw products of the country. It sends also to the Russian ports a considerable quantity of salted sturgeons and caviare. Its harbour is large, better sheltered than that of *Eupatoria*, and more convenient for anchorage; there is sixteen fathoms of water in its deepest part. *Kertch*, the ancient capital of the kingdom of the Bosphorus (under the name of *Panticapæum*), is situated at the eastern extremity of the *Tauric Peninsula*, and contains 4,000 inhabitants, for the most part Greeks. Although the entrance to the *Cimmerian Bosphorus* is here extremely narrow and tortuous, the anchorage of the bay is described as both commodious and secure; the port is surrounded by magnificent quays, to which, however, approach is prohibited to vessels of any size, from shallowness of the waters. Vessels bound for the Sea of Azoff here perform quarantine. *Kertch* has suffered greatly from the revolutions which have swept over these countries, and has been several times destroyed. Commerce does not exhibit indications of very rapid development, although its traffic with the Cossacks of the Don, and barter transactions with *Circassia*, are not without importance. Immense quantities of salt derived from the lakes in the neighbourhood of *Pérékop* are here warehoused, and an extensive coal depôt for the supply of the steamers has

recently been established. The bay fishing is also very productive. This city, which contains a considerable number of Jews, was ceded to Russia by the Porte in 1774. Theodosia and Kertch, like most of the ports of the Crimea, possess only a coasting navigation. The former charters about 190 vessels, and the latter nearly 1,000; these vessels in 1852 made 1,308 voyages, carrying cargoes valued at £58,000; the sum total of the exports from the seven ports of the Crimea, according to the commercial tables, for the same year, amounted to £54,000, and the imports to £340,000.

The ports of the Sea of Azof are—

*Taganrog*, with 22,412 inhabitants. This city, which was founded by Peter the Great in 1706, is well built, and agreeably situated. It was here that the Emperor Alexander died. The commerce of this port, which at first sprang up under favourable auspices, was soon destined to meet with considerable obstacles. The Don, which rushes with great force into this sea, carries along with it the sands drifted by the southerly winds upon the coast, and the waters round Taganrog have now become so shallow, that vessels are unladen by means of carts driven far out to meet the large boats among which the cargoes are divided. Ships cannot approach within a league of the land: the greatest depth of this sea does not exceed twelve or fifteen fathoms, the average being about two. In the year 1833, a measure was adopted, most disastrous in its consequences to this place. Kertch was declared the only quarantine port, all ships being obliged to anchor, and remain there twenty-eight and sometimes even thirty-two days. From this period the Sea of Azof remained closed to all ships except mere coasters, and Kertch became the sole depôt and port. The commerce of Taganrog is now sustained almost entirely by the transport of ammunition and artillery stores to the Caucasus. The exports from 1850 to 1852 have amounted to £585,000, and the imports for the same period to £260,000.

*Mariopol* (4,603), and *Berdiansk* (6,498), the latter a new port, which threatens to prove a formidable rival to Taganrog, have together exported £117,000 in merchandise, and received in Russian and European commodities £39,500.

*Yeisk* (8,000) is the *entrepôt* of the steppe of the Tchernomorske Cossacks. This town was founded so late as the year 1849, and is situated on the only bay, which is filling up even more rapidly than that of Taganrog.

*Rostow* (10,863), on the right bank of the Don, was opened to commerce in 1831, and has contributed to the coasting trade for the period before mentioned, £514,000, the value of which, for the following year 1853, became almost doubled.

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#### TRADE OF THE UNITED KINGDOM.

THE Board of Trade returns for the month ending the 31st of May were issued on the 27th of June, and show a decrease in the declared value of our exportations of £372,950, as compared with the corresponding month of last year. This result is not unsatisfactory, looking at the contraction of business that has been long in progress, together with the fact that, although transactions are now less numerous than they were a year ago, they are all of a healthy character, such unsound speculations as were prevalent at that time having terminated in the break

up of the various parties, then enjoying a spurious credit by the aid of some of the provincial joint-stock banks. The present falling-off has been chiefly in woollen manufactures, metals, hardware, ready-made clothing, and beer and ale, thus indicating that the diminution in the shipments to Australia and America is still the principal cause of the change. Annexed is a table giving the exact increase or decrease in the exportation of each article:—

## DECLARED VALUE OF EXPORTATIONS.

Month ending June 5th, 1854 and May 31st, 1855.	1854, June 5.	1855, May 31.	Increase.	Decrease.
Alkali—viz., soda ... ..	86,973	84,808	—	2,165
Beer and ale ... ..	125,542	89,275	—	86,267
Butter ... ..	18,727	14,930	—	3,797
Candles ... ..	14,681	16,894	2,213	—
Cheese ... ..	4,427	4,963	536	—
Coals and culm ... ..	230,421	245,207	14,786	—
Cordage and cables ... ..	34,848	23,715	—	11,133
Cotton manufactures ... ..	2,098,874	2,296,088	197,214	—
Cotton yarn ... ..	575,551	689,771	114,220	—
Earthenware ... ..	129,162	83,611	—	45,551
Fish ... ..	10,746	8,908	—	1,838
Glass manufactures ... ..	48,403	38,257	—	10,146
Haberdashery and millinery ...	279,976	178,852	—	101,124
Hardwares and cutlery ... ..	350,191	228,115	—	122,076
Leather ... ..	121,698	81,208	—	40,490
Linen manufactures ... ..	330,576	800,740	—	29,836
Linen yarn ... ..	74,877	102,497	27,620	—
Machinery ... ..	172,879	232,943	60,064	—
Metals ... ..	1,541,633	1,313,115	—	228,518
Oil and seeds ... ..	20,889	62,846	41,957	—
Painters' colours, &c. ....	22,634	81,369	8,735	—
Salt ... ..	25,480	24,947	—	533
Silk manufactures ... ..	114,461	78,797	—	85,664
Silk, thrown ... ..	15,262	14,314	—	948
Silk, twist and yarn ... ..	16,225	21,874	5,649	—
Soap ... ..	24,725	15,743	—	8,982
Stationery ... ..	64,642	43,851	—	20,791
Sugar, refined ... ..	20,646	609	—	20,037
Wool, sheep or lambs ... ..	48,131	146,355	98,224	—
Woollen manufactures ... ..	846,530	577,597	—	268,933
Woollen yarn ... ..	112,838	160,912	48,074	—
Unenumerated articles ... ..	889,548	886,135	—	3,413
Total ... ..	8,422,196	8,049,246		

With regard to imported commodities, the totals show remarkable steadiness in the home consumption, the quantities of the principal articles taken into use being very nearly the same as at this period of 1854. Sugar forms an exception, as it exhibits a considerable decline, but this is simply owing to the largeness of the supplies taken by the trade during the four preceding months. Of bread-stuffs, the arrivals have continued comparatively light.

## Provisions, &amp;c., imported and taken for home consumption :—

Month ending June 5th, 1854, and May 31st, 1855.	Imported.		Home Consumption.	
	1854.	1855.	1854.	1855.
Grain, wheat, qrs. ... ..	611,993	497,838	611,993	497,838
Grain of other descriptions, qrs.	281,466	275,779	281,466	275,779
Indian corn, qrs.... ..	158,696	87,087	158,696	87,087
Flour and meal, cwt. ... ..	378,205	160,684	378,205	160,684
Provisions—Bacon, &c. &c., cwt.	169,429	164,464	Free.	Free.
Butter and cheese, cwt. ... ..	73,905	67,425	70,765	68,855
Animals, No. .. ...	11,223	7,400	Free.	Free.
Eggs, No. ... ..	15,540,278	13,188,200	15,540,278	13,188,200
Cocoa, lb. ... ..	1,507,181	650,024	376,345	522,250
Coffee, British, lb. ... ..	3,594,171	2,516,301	2,693,878	2,702,129
Ditto, foreign, lb. ... ..	1,914,165	1,071,383	499,987	481,147
Total coffee ... ..	5,508,336	3,587,684	3,193,865	3,183,276
Sugar—				
West India, cwt. ... ..	513,163	247,271	301,424	161,236
Mauritius, cwt. ... ..	253,970	148,521	237,415	64,101
East India, cwt. ... ..	40,525	44,205	90,561	28,888
Foreign, cwt. ... ..	210,996	125,844	11,553	77,436
Total sugar ... ..	1,018,654	565,841	640,953	331,661
Tea, lb.... ..	10,941,455	4,190,457	5,107,489	5,609,690
Rice, cwt. ... ..	129,679	138,043	96,845	82,157
Spirits, gallons ... ..	1,054,833	866,889	349,223	384,114
Wines, gallons ... ..	1,044,739	1,005,300	619,289	635,840
Opium, lb. ... ..	1,043	6,275	4,837	4,294
Tobacco, lb. ... ..	2,443,495	4,845,283	2,524,451	2,452,847
Currants, figs and raisins, cwt...	18,484	10,834	31,004	42,673
Lemons and oranges, bushel ...	47,543	50,664	38,531	57,495
Spices, lb. ... ..	1,961,935	1,378,074	330,898	323,731
Ditto, cwt. ... ..	4,938	4,718	292	267

## Comparative imports and exports of raw material :—

Month ending June 5, 1854, and May 31st, 1855.	Imported.		Exported.	
	1854.	1855.	1854.	1855.
Flax, cwt. ... ..	205,587	117,219	—	—
Hemp, cwt ... ..	94,005	169,551	—	—
Raw silk, lb. ... ..	1,172,938	398,946	124,422	117,131
Cotton, cwt.... ..	1,205,744	814,921	100,085	151,249
Wool, lb. ... ..	7,838,399	8,603,969	2,263,280	4,169,594
Tallow, cwt. ... ..	47,449	147,972	—	—

## Of silk manufactures, the totals stand thus :—

Month ending June 5th, 1854, and May 31st, 1855.	Imported.		Home Consumption.	
	1854.	1855.	1854.	1855.
Silk manufactures of Europe, lb.	41,168	55,069	39,196	54,165
Ditto of India, pieces ... ..	86,634	46,526	17,397	10,689



will provide the means. The Emperor of the French has determined that, in the case of his financial supplies, the former system of open tender shall be adopted, and the result is, that the arrangement for the subscriptions has proved most successful. Although lists have been advertised by Messrs. Baring Brothers, Messrs. Rothschild and Co., and Messrs. Devaux and Co. (a deposit of 10 per cent. being necessary to secure attention to the application), the subscription of the Parisian public has been so enormous, that the English capitalists are not likely to participate in the transaction. The following report of the finance minister, upon which the decree of the Emperor was founded, explains the terms on which the rentes, both Four-and-a-half and Three per Cents., shall be taken, and the privileges to be allowed to those who support the operation :—

Sire,—Your Majesty has again appealed to the country, to ask the means for continuing the struggle so gloriously maintained by our valiant army, in a manner worthy of France and the object in view. Faithful interpreters of the national feeling, the Senate and Legislative Corps hastened to reply to the Emperor's appeal by authorising him to procure from the Treasury, by the issue of rentes, the sum of 750,000,000 francs. The time, manner, and conditions of the loan having been left to the free choice of the Government, I come to take your Majesty's orders on those points.

The state of the Treasury and the resources at its command would doubtless allow it to provide for still many months for all public expenses, and your Majesty might, therefore, in this respect, postpone using the powers placed in your hands. But it is the duty of a provident administration to be always provided beforehand, and to be ready for every eventuality. Moreover, on the first announcement of the loan, the capital to be employed in it was immediately prepared and set aside. A delay would cause suspense, might be detrimental to affairs in general, and even to the loan itself, for which reasons I have the honour to propose to your Majesty that it be issued at once.

It appears to me needless to discuss the numerous systems which have of late been proposed. The national subscription has been tried. It is to be recommended for its unquestionable impartiality, and the brilliant success with which it has recently been crowned fully justifies the preference given to it by your Majesty. In the two last loans, the subscribers had the choice between the Four-and-a-half and the Three per Cents. I see no reason why they should not again have the same.

I propose to your Majesty to decide, that the Four-and-a-half per Cent. rente shall be given to them at 92f. 25c., with enjoyment from the 22nd of March last; and the Three per Cent. at 65f. 25c., from the 22nd of June. That the capital subscribed shall be paid as follows :—One-tenth at the time of subscribing, and the remainder in monthly instalments in eighteen equal parts, of which the first shall be due on the 7th of September next. These conditions will give the subscribers different advantages, which are easily discernible.

At the Bourse, to-day, the last quotation of the Four-and-a-half per Cent. rente was 92f. 75c., and of the Three per Cent., 65f. 90c. These quotations, compared with the purchase price, give to the subscriber, already, a profit of 50c. for the Four-and-a-half per Cent., and of 65c. for the Three per Cent.

But the main advantage consists in the delay of nearly twenty months granted to the subscribers, dating from the subscription day, and in the date from which the arrears of the rentes will be paid to them. This plan, which procures by anticipation the interest of the capital subscribed, is equivalent to a new diminution of 2f. 79c. on the Four-and-a-half per Cent., and of 1f. 98c. on the Three per Cent. Those who pay up at once will receive a discount equivalent to this profit.

All these combined advantages reduce, in reality, the price of the Four-and-a-half per Cent. to 89f. 46c., and that of the Three per Cent. to 63f. 27c., and,



compared with the last quotations on 'Change, procure to the subscriber a profit of 3*l.* 2*9**s.* on the former, and of 2*l.* 6*3**s.* on the latter—a profit the value of which is increased when it is considered that, for some days, the Bourse has been influenced by the expectation of the loan, and the weakness of the last quotations is only due to an accidental depreciation.

In case the amount subscribed should exceed the sum required, I propose that your Majesty should decide that the subscriptions of 50*l.* of rente and below it shall be alone exempt from reduction, and that all those above 50*l.* shall undergo a proportionate reduction. This measure appears to me just; by assuring a portion to all the subscribers, whatever may be the amount of the sums subscribed, the success of the operation will certainly be enhanced.

As in the former loans, and to make place for the small capitalists, the *minimum* of the subscription will be lowered to 10*l.* of rente.

Such are, Sire, the conditions which I have the honour to submit to your Majesty's approbation. The advantages that result therefrom to subscribers are certainly considerable, but at all times similar advantages were deemed indispensable to assure the success of negotiations. The old system had the fault of reserving the advantages exclusively to a few. The merit of a public subscription, inaugurated by your Majesty, consists in offering them to all, and, by throwing open the rente, in enlarging the basis of the credit of the State.

I am, with the most profound respect, Sire,

Your Majesty's very humble and very obedient  
servant and faithful subject,

P. MAGNE.

The general terms of the Turkish loan have not yet transpired, but they will very shortly be brought forward. The debate in Parliament, and the narrow majority by which the report was, in the first instance, agreed to, shows that great difference of opinion has existed on the question of the proposed guarantee. The desperate position in which the finances of Turkey are placed, has, however, induced the leading opponents to withdraw, and, consequently, sanction has been accorded to the measure. Subjoined is a copy of the convention signed on behalf of France, England, and Turkey:—

Art. 1. His Majesty the Emperor of the French engages, under the ratification of the Legislative Corps of France, to guarantee, conjointly and in mutual responsibility with her Britannic Majesty, and her Majesty the Queen of the United Kingdom of Great Britain and Ireland engages to recommend to her Parliament to authorise her to guarantee, conjointly and in mutual responsibility with his Majesty the Emperor of the French, the interest of a loan of £5,000,000 sterling, to be contracted by his Imperial Majesty the Sultan.

Art. 2. The interest payable on the said loan of £5,000,000 sterling shall be at the rate of 4 per cent. per annum.

Moreover, the Sublime Porte engages to pay a sum of 1 per cent. per annum on the whole capital of £5,000,000 sterling, as a sinking fund.

Art. 3. The interest and the sinking fund of the said loan will form a charge upon the entire revenue of the Ottoman Empire, and especially on the annual sum remaining as surplus from the Egyptian tribute, after deducting that part of it set aside for paying off the first loan, and, moreover, the revenue resulting from the customs at Smyrna and in Syria.

His Imperial Majesty the Sultan engages to cause to be paid into the Bank of England, on the 25th of June and the 25th of December every year, or before those days, the entire amount of a half-year's interest and sinking fund for the whole amount of the said fund to be contracted under the conjoint and binding guarantee of his Majesty the Emperor of the French, and of her Britannic Majesty, or for the part realised of this loan, until the whole of the borrowed capital shall have been re-paid.

Art. 4. His Majesty the Emperor of the French and her Majesty the Queen of the United Kingdom of Great Britain and Ireland, desirous of sparing the

Sublime Porte the expense of collecting, consent to engage to transmit to the Ottoman Government the sums proceeding from the said loan of £5,000,000 sterling, to be contracted under the conjoint and responsible guarantee of their Majesties.

For this end, it is agreed that the contractors of the said loan shall pay the sums proceeding from this loan into the Bank of England, to the credit of the Turkish Government, in order to be transmitted to the Sublime Porte, through the medium of the French and English Governments.

Art. 5. The present convention shall be ratified, and the ratifications of it shall be exchanged at Constantinople as soon as possible.

In witness whereof the respective plenipotentiaries have signed it and affixed to it their seals.

Done at London, this 27th day of June, in the year of our Lord 1855.

(L.S.)	PERSIGNY.
(L.S.)	CLARENDON.
(L.S.)	MUSURUS.

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### SAVINGS BANKS.

The following letter from the *Times*, furnishes a series of important details, gathered from the last annual parliamentary returns of savings banks, and calls attention to the anomalous character of the expenses of management, respectively incurred by them:—

“There are 578 savings banks in the United Kingdom, and the great importance of these institutions to the humble and laborious classes, appears to demand much more consideration, both on the part of the Government and of the public, than they have hitherto obtained, and from which very beneficial results might reasonably be expected.

The following are statements and calculations made from the last annual return to Parliament, to the 20th of November, 1853, and ordered by the House to be printed on the 12th of May, 1854:—

365 of the savings banks, give their depositors on the average a rate of 3s. 9d., or 3-16ths. per cent. less interest than the act of 1844 points out (which is £3 10d. per cent. per annum), thereby depriving them yearly, on their joint capital of £17,064,885, of its prescribed interest to the amount of £31,906 13s. 6d.

189 banks, with a capital of £7,000,196, have no money in the Government Surplus Fund, and but £76,290 in the hands of their treasurers, out of the total sum of £270,016 held by the 573 treasurers of the United Kingdom, excepting the five who have made no report: viz., Ludlow, Bilston, Wolverhampton, Thurles, Upton-on-Severn.

160 banks, with a capital of £12,873,180, and which pay their depositors interest of £3, up to the act of Parliament interest of £3 0s. 10d. per cent. per annum, have lying in the Government Surplus Fund, profits made by the said banks, amounting to £184,695; while

104 banks, with a capital of £3,795,671, paying their depositors an interest thereon averaging only £2 18s. 2d. per cent. per annum, have no more in the Government Surplus Fund than £9,270, composed of small sums beginning with £1 and ending with £200.

The total deficiency withheld from the depositors, as before particularised, is per annum £31,996 13s. 6d. And the total withheld from the Government, as shown by the subjoined list (following the short explanation, heading the same), is per annum £40,064 16s. 11d.

The act of 1844 gives the banks interest from the Government of £3 5s., or 3½ per cent., out of which it allows the banks 4s. 2d. per cent. per annum for their entire expenses, thus leaving for the depositors the

difference, or £3 0s. 10d. interest, and requiring the profits of the banks beyond the 4s. 2d. and £3 0s. 10d. (together £3 5s.) to be paid over to the Government surplus fund, at the end of each official year.

Nine banks, with a capital of £242,073, five of them paying the depositors 3 per cent. interest, two of them £2 18s. 4d., and one £2 15s. 7d., carry on their banks, including all expenses, at the charge of 2s. 9d. to 4s. per cent. per annum.

Twenty-three banks, with a capital of £1,806,198, and paying £3 to £3 0s. 10d. interest to depositors, have in the surplus fund £35,729, and carry on the banks, including all expenses, at 1s. 2d. up to 4s. 1d. per cent. per annum; and

Five banks, with a capital of £411,896, at the rate for all expenses as prescribed by the act of 1844—viz., 4s. 2d. per cent., the Act of Parliament allowance.

Banks	Their capital belonging to Depositors.	Expenses incurred by the Banks per cent. per annum.	Average expense above the 4s. 2d. per cent. as per Act.	Excess expended above the prescribed 4s. 2d. per cent. per annum to the Banks for their entire management.
	£	s. d. s. d.		£ s. d.
70	6,143,293	4 3 to 5 0	5½d.—say 5d.	1,279 17 1
100	6,500,544	5 1 to 6 0	1s. 4d.	4,333 13 10
202	13,498,882	6 1 to 8 0	2 10	19,123 8 3
99	3,082,271	8 1 to 10 0	4 10	7,448 16 6
31	973,758	10 1 to 12 0	6 10	3,326 19 7
16	720,912	12 1 to 14 0	8 10	3,184 0 4
6	81,753	14 1 to 16 0	10 10	442 16 3
5	80,146	16 1 to 18 0	12 10	514 5 11
4	49,490	20 0 to 21 4	16 0	393 2 5
1	1,403	29 7	25 5	17 16 9
				£40,064 16 11

In the last Parliamentary return, the amount given as owing to depositors, was £33,227,394 and the Government separate Surplus Fund (not bearing interest), £324,764; and there is good reason to believe, that these amounts might in a few years, under proper organisation, stimulus, encouragement, and good management, become greatly enlarged—the former to double or treble its present amount, and the latter, probably, in fair proportion thereto.

By the above tabular statement, it is evident how greatly the expenses in the management of many of the banks are in excess of others; and it is also clear that those having the larger amount of deposits, must be able to carry on their banks at a lower rate of per centage than such as have smaller amounts.

This becomes, if needful, still more evident on reference to the parliamentary return itself; and the system of averages, adopted for brevity, in the above-named parliamentary statement, conceals, unavoidably, as well the comparative economy, as also the extravagance of the banks in general.

It must, however, be remarked, in justice to most of the smaller banks, that the high rates of management expenses are very far from being confined to them—for instance, we find the county of Middlesex, with its thirty-seven banks, and capital over £5,000,000, averaging about £150,000 de-

posits in each, exceeds the allowance of 4s. 2d. per cent., prescribed by the act of 1844, by the sum of 4s. per cent. per annum, and that the average rate of interest given to their depositors, is only £2 17s. 6d. per cent., instead of £3 0s. 10d.; also that these thirty-seven banks have but about £20,000 surplus profits in the hands of the commissioners.

The county of Lancaster, with its twenty-nine banks, averaging about £100,000 each, in deposits, and a capital of less than £3,000,000, is carried on at 13d. over the 4s. 2d., pays the depositors £2 19s. 6d. per cent. on the average, and has above £25,000 profits in the surplus fund, while Middlesex is 4s. per cent. over the 4s. 2d.

To the honour of some of the banks, both smaller and larger, it is due to them to say, they are conducted with economy and excellent management, and, without trenching upon a fair and liberal remuneration to their paid officers, give their depositors £3 to £3 0s. 10d. per cent., and have in profits, large amounts in the surplus fund, proportioned to their respective aggregate capitals belonging to the depositors.

P.S.—It is greatly to be regretted, that the intended new bill for the better regulations and management of the savings banks of the United Kingdom, has been so repeatedly deferred from one session of parliament to another, for several years or more; and it is understood, even now not likely to come before the House this present session.

Improvements in the most important principles, as also in the various details, may be easily introduced into the new bill, which would not only promote uniformity of practice, and the more easy and effective working of the banks, but also enlarge the amounts therein, very far beyond what they have yet attained, and to the vast advantage of the humble and laborious classes of the community, and, consequently, to their increased satisfaction.

W. M. C."

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## Banking and Commercial Law.

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### THE NEW ACT TO FACILITATE THE REMEDIES ON BILLS OF EXCHANGE AND PROMISSORY NOTES.

THIS act has passed, and we hasten to present it to our readers in the most perfect state we are able. It has not yet been printed by the Queen's Printers, but we believe it stands exactly in the same state as it did when it passed the House of Commons. It is a great improvement on the first measure, and is free from some of the objections we pointed out as applying to that.

In addition to giving a more summary remedy, the act effects some improvements in the general law of bills of exchange and notes. It gives a remedy for the expenses of noting, which were hitherto not recoverable in the case of inland bills and notes, and even in the case of foreign bills were not recoverable to the full extent. It also enables all the parties to the document to be included in one writ.

It seems doubtful whether the act applies to cheques, and as its precise application to instruments payable on demand may

be also doubtful, as regards the clause fixing six months as the time to commence proceedings.

The following is the entire act :—

I. From and after the twenty-fourth day of October, one thousand eight hundred and fifty-five, all actions upon bills of exchange or promissory notes commenced within six months after the same shall have become due and payable, may be by writ of summons in the special form contained in Schedule A. to this act annexed, and indorsed as therein mentioned ; and it shall be lawful for the plaintiff, on filing an affidavit of personal service of such writ within the jurisdiction of the Court, or an order for leave to proceed, as provided by the Common Law Procedure Act, 1852, and a copy of the writ of summons and the indorsements thereon, in case the defendant shall not have obtained leave to appear and have appeared to such writ according to the exigency thereof, at once to sign final judgment in the form contained in Schedule B. to this act annexed (on which judgment no proceeding in error shall lie) for any sum not exceeding the sum indorsed on the writ, together with interest, at the rate specified (if any), to the date of the judgment, and a sum for costs to be fixed by the masters of the superior courts or any three of them, subject to the approval of the judges thereof or any eight of them (of whom the lord chief justices and the lord chief baron shall be three), unless the plaintiff claim more than such fixed sum, in which case the costs shall be taxed in the ordinary way, and the plaintiff may upon such judgment issue execution forthwith.

II. A judge of any of the said courts shall, upon application within the period of twelve days from such service, give leave to appear to such writ, and to defend the action, on the defendant paying into Court the sum indorsed on the writ, or upon affidavits satisfactory to the Judge, which disclose a legal or equitable defence, or such facts as would make it incumbent on the holder to prove consideration, or such facts as he Judge may deem sufficient to support the application, and on such terms as to security or otherwise as to the Judge may seem fit.

III. After judgment, the Court or a Judge may, under special circumstances, set aside the judgment, and, if necessary, stay or set aside execution, and may give leave to appear to the writ, and to defend the action, if it shall appear to be reasonable to the Court or Judge so to do, and on such terms as to the Court or Judge may seem just.

IV. In any proceedings under this Act it shall be competent to the Court or a Judge to order the bill or note sought to be proceeded upon to be forthwith deposited with an officer of the Court, and further to order that all proceedings shall be stayed until the plaintiff shall have given security for the costs thereof.

V. The holder of every dishonoured bill of exchange or promissory note shall have the same remedies for the recovery of the expenses incurred in noting the same for non-acceptance or non-payment, or otherwise, by reason of such dishonour, as he has under this act for the recovery of the amount of such bill or note.

VI. The holder of any bill of exchange or promissory note may, if he think fit, issue one writ of summons, according to this act, against all or any number of the parties to such bill or note, and such writ of summons shall be the commencement of an action or actions against the parties therein named respectively, and all subsequent proceedings against such respective parties shall be in like manner, so far as may be, as if separate writs of summons had been issued.

VII. The provisions of the Common Law Procedure Act, 1852, and the Common Law Procedure Act, 1854, and all rules made under or by virtue of

either of the said acts shall, so far as the same are or may be made applicable, extend and apply to all proceedings to be had or taken under this act.

VIII. The provisions of this act shall apply, as near as may be, to the Court of Common Pleas at Lancaster, and the Court of Pleas at Durham, and the judges of such courts, being judges of one of the superior courts of common law at Westminster, shall have power to frame all rules and process necessary thereto.

IX. Nothing in this act shall extend to Ireland or Scotland.

X. In citing this act in any instrument, document, or proceeding, it shall be sufficient to use the expression "The Summary Procedure on Bills of Exchange Act, 1855."

Schedules referred to in the foregoing act.

A.

Victoria by the grace of God, &c.

To C. D., of \_\_\_\_\_, in the county of \_\_\_\_\_. We warn you, that unless within twelve days after the service of this writ on you, inclusive of the day of such service, you obtain leave from one of the judges of the courts at Westminster to appear, and do within that time appear in our court of \_\_\_\_\_ in an action at the suit of A. B., the said A. B. may proceed to judgment and execution.

Witness, &c.

Memorandum to be subscribed on the writ.

N.B.—This writ is to be served within six calendar months from the date hereof, or if renewed, from the date of such renewal, including the day of such date, and not afterwards.

Indorsement to be made on the writ before service thereof.

This writ was issued by E. F., of \_\_\_\_\_, attorney for the plaintiff. Or, this writ was issued in person by A. B., who resides at [mention the city, town, or parish, and also the name of the hamlet, street, and number of the house of the plaintiff's residence].

Indorsement.

The plaintiff claims [\_\_\_\_\_ pounds principal and interest], or pounds balance of principal and interest due to him as the payee [or indorsee] of a Bill of Exchange or promissory note, of which the following is a copy :—

[Here copy Bill of Exchange or Promissory Note, and all Indorsements upon it.]

And if the amount thereof be paid to the plaintiff or his attorney within days from the service hereof, further proceedings will be stayed.

Notice.

Take notice, that if the defendant do not obtain leave from one of the judges of the courts within twelve days after having been served with this writ, inclusive of the day of such service, to appear thereto, and do within such time cause an appearance to be entered for him in the court out of which this writ issues, the plaintiff will be at liberty at any time after the expiration of such twelve days to sign final judgment for any sum not exceeding the sum above claimed, and the sum of \_\_\_\_\_ pounds for costs, and issue execution for the same.

Leave to appear may be obtained on an application at the Judges' Chambers, Serjeants' Inn, London, supported by affidavit showing that there is a defence to the action on the merits, or that it is reasonable that the defendant should be allowed to appear in the action.

Indorsement to be made on the Writ after Service thereof.

This writ was served by X. Y. on L. M. the (defendant the  
defendants), on Monday the day of 18 ,  
By X. Y.

B.

In the Queen's Bench.

On the day of in the year of our Lord 18 . [Day of  
signing Judgment.]

England (to wit). A. B. in his own person [or by his  
attorney] sued out a writ against C. D., indorsed as follows :—

[Here copy Indorsement of Plaintiff's Claim.]

and the said C. D. has not appeared :

Therefore it is considered that the said A. B. recover against the said  
C. D. pounds, together with pounds for costs of suit.

#### THE PROPOSED AMENDMENT OF THE LAW OF PARTNERSHIP, LIMITING THE LIABILITY OF PARTNERS.

THESE bills, which we gave at length in our last number, have passed through committee in the House of Commons, with very little opposition, and very few amendments.

In the bill to limit liability, the following new clause has been added :—

III. Any joint-stock company, except as aforesaid, constituted under any act of Parliament, and having a capital of the nominal amount of not less than twenty thousand pounds, whereof it shall be proved to the satisfaction of the Board of Trade that not less than three-fourths have been paid up, may obtain a certificate of complete registration with limited liability, in manner and subject to the condition following (that is to say) :—

The directors of such company may, with the consent of at least three-fourths in number and value of its shareholders who may be present, personally or by proxy, at any general meeting summoned for that purpose, make such alteration in the name as may be necessary for enabling it to comply with the condition in that behalf hereinbefore mentioned with respect to joint-stock companies seeking to obtain certificates of complete registration with limited liability; and upon compliance with such condition, the registrar shall grant to such company, by its new name, a certificate of complete registration with limited liability; and therefore all privileges and obligations hereby attached to companies with limited liability, their shareholders, directors, and officers, shall attach to the company named in such certificate, its shareholders, directors, and officers.

In the bill to amend the law of partnership, a period of ten days has been fixed, within which the loans must be registered.

## Legal Miscellany.

COURT OF COMMON PLEAS, GUILDHALL, JULY 3.

(*Sittings at Nisi Prius, before CHIEF JUSTICE JERVIS and Special Juries.*)

RAPHAEL AND ANOTHER v. THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND.

The Attorney-General, Mr. Hawkins, and Mr. Holland were counsel for the plaintiffs; and Mr. Bovill and Mr. Coleridge for the defendants.

This was an action on a Bank of England note for £500, to which the principal plea was that the plaintiffs sued thereon as the agents of one Victor St. Paul; that the note was stolen from Messrs. Brown, Shipley, and Co., whose property it was, and that Victor St. Paul was not, nor is, a *bond fide* holder for value and without notice or knowledge of the premises, and was not entitled to sue upon or enforce payment of the same.

It appeared that the plaintiffs are merchants in the city of London, and that the Governor and Company of the Bank of England are merely nominal defendants, the real defendants being Messrs. Brown, Shipley, and Co., of Liverpool. In the early part of November, 1852, one of Messrs. Brown and Co.'s clerks was robbed in Liverpool of £3,000 worth of notes, consisting of five of £500 each, and five of £100 each. The note upon which this action was brought was one of these, and was received by the plaintiffs from Paris, from St. Paul and Co., who are money-changers and correspondents of the plaintiffs in Paris, on the 27th of June, 1854; and that St. Paul and Co. took the same on the day previous, in the course of their business, from a person who gave his name as Howard, and under the circumstances detailed in the evidence of M. St. Paul below, and that they gave full value for it. Messrs. Raphael, immediately upon the receipt of the note, had sent it to the Bank of England to be cashed, but payment was refused. Immediately after the robbery, in November, 1852, information was given to the police, and notices of it were then and in April, 1853, distributed at the various bankers' and money-changers' throughout England, in Paris, and on the continent, and it was proved that these notices had been left at the offices of the plaintiffs in London, and of St. Paul and Co., in Paris, previous to the day on which St. Paul and Co. changed the note for Howard; but the evidence on the part of the plaintiffs went to show that neither they, when they received the note from Paris, nor St. Paul and Co., when they changed it, had any knowledge of the robbery, or that the notices were in their recollection at the time.

The defendants began, and Mr. Bovill, in opening their case, placed it before the jury, that where large notes are lost, all that the loser can do is to distribute notices; and that if the jury were satisfied that the plaintiffs or St. Paul and Co. had received the notice and had disregarded it, they (the jury) could not be of opinion that the transaction was *bond fide*, and that the facts of this case were similar to those in "*De la Chaumette v. the Bank of England*" (9 Barnewall and Cresswell, 208), upon which the defendants would be entitled to the verdict.

One of the City of London police proved the service of the notice on the defendants in Copthall-court, in April, 1853, and the examination on interrogatories of one Fontaine was put in to prove the service on St. Paul and Co.

Lawrence Keogh was then examined by Mr. Coleridge, and said,—I am an inspector of police at Liverpool. I was called in at the time of the robbery, and in November, 1852, and in April, 1853, sent notices to Paris



for distribution. I went to Paris, to St. Paul and Co., and saw a gentleman there who answered to the name of St. Paul. He speaks English imperfectly. I understood the most of what he said, and he of what I said. He said, in answer to my questions, that it was on Sunday, June 25th, that he changed the £500 note. He described the man of whom he took it, and gave me his name as Howard. I had a bill in my hand, and said, "You have been served with a bill similar to this; you should have stopped the note." He said that was nothing. He said he was not served by a lawyer. He did not use the word lawyer, but he said he had not been served by a somebody who was explained to me to mean a lawyer. I said, "You have been served by the police, and that is enough for us." He said the notices were swept out the next week. I said, "If you do that, and take no notice, you change the notes at your own hazard." He said the bank must pay.

Cross-examined by the Attorney-General—I do not speak French, but that was not why I was sent. I took no one with me to St. Paul and Co.'s who did speak it. I had a French officer of police with me who spoke English imperfectly. A Frenchman does not speak English with the same accent as an Englishman.

The Chief-Justice—I suppose there would be the same sort of accent in a Frenchman speaking English as in an Irishman speaking it. (The witness's accent was very broad.)

Witness—I understood M. St. Paul to say that when bills or notices were brought in, unless they were served by a person having authority they were not notices, and the next week were swept out.

The Attorney-General, in opening the case for the plaintiffs, reminded the jury that these robberies were unfortunately not unfrequent, and therefore, these notices of them did not produce that impression at the places where they were delivered which they otherwise would do, and that it was two years after the robbery, and fifteen months after the notice, when the note was changed by St. Paul. While, on the one hand, they (the jury) would not encourage robberies by giving facilities for changing stolen notes. Messrs. Brown and Co., the real plaintiffs, were responsible for the carelessness of their clerk, and for not using more care and circumspection; and the jury would bear in mind the great inconvenience which would follow from the full circulation of Bank of England notes being impaired—more especially on the continent. He should prove that St. Paul and Co. had taken the note in the regular course of business, unsuspectingly and honestly, and had given full value for it; had duly entered the transaction in their books, and sent the note to their correspondents, in the course of business. They were among the first money-changers in Paris, and never changed less than £1,000 of English notes each day; and if they could not do business in the way in which they had transacted this, they might as well shut up their shop. If the notice was left it was lost sight of. Numerous notices are left—they are filed, and, after accumulating for a time, the recent ones are retained, and the old ones swept away. Was it likely that St. Paul and Co. would be so idiotic as, knowing the note to have been stolen, to give full value for it, and rush into the lion's mouth, by sending it straight to the Bank of England? The jury would bear in mind that when the thief presented the note, he had it in view that sufficient time had elapsed to obliterate the recollection of the theft. He contended that the facts of the case, and the correspondence, established the perfect good faith of both St. Paul and Co. and Mr Raphael.

M. Victor St. Paul, examined by Mr. Hawkins (through an interpreter).—I am a partner in the house in Paris. We carry on an extensive business as money-changers, and have done so since 1842. Up to the present time we have considered Bank notes as money payable to bearer. We only buy

English Bank notes to send them to London. On the 26th of June, 1852, I changed a £500 Bank note. I received it from a person of good appearance, whose name is written on the note (the name was Howard). It was about noon. I was at the door going out; the gentleman came in and asked what was the exchange? I told him the rate of the day, 24fr. 95c. He said that appeared to him to be low. I said it was not worth while for less. He came in and changed the note, with another for £5. When I saw it was a £500 note, I asked for his passport, and made him sign the note. He produced his passport, and put his address on the note at Lawson's Hotel. The £5 was changed to make up a round sum. I gave him the money myself, in the presence of two of my clerks, who are here, and an entry was immediately made in our books. (The entry was put in and was regular.) I remitted the note, with two others, to Raphael and Co., the same day. After the note was stopped, a gentleman came from London—the agent of the police came first. I did not know at first he was a police agent. Raphael and Co. had written that we should have a visit from Brown and Co., and I thought at first it was one of them; but from the manner of the man I found that it was not. It was difficult to converse with a man who did not speak French, and he was in a bad humour. The position in which we were placed was disagreeable, and sharp words were exchanged freely. He spoke to me of a notice, and, in answer, I said I did not recollect having received it. I did not say it was nothing; what I did say was, that such notices were served very irregularly, and that it would have been much more regular to employ an official. They (the notices) are sometimes flung on the counter, and no notice is taken of them. We file and hang them up in the office, and they remain sometimes six months or a year, till the file is full, and then they are put with the old quotations of rates. If I had had any recollection of the notice, I should not have changed the note.

Cross-examined by Mr. Bovill.—I changed a £1,000 note in May. I don't know for whom. Howard wrote his name and address at my desire. Lawson's Hotel is at the back of the Boulevard Italien. (In answer to whether Lawson's had not been pulled down.) There has been a good deal of pulling down in Paris. I change all notes payable to bearer without inquiries. Besides being a money-changer, I am a bullion dealer, and deal in bills. Twenty years ago, I bought plate. I have bought none since 1849. [It appeared that 12,000 and some odd francs, the full value, had been given by witness for the note.]

The two clerks referred to in M. St. Paul's evidence corroborated his statements, and Mr. Raphael stated that he knew nothing about the notices left at his house till two months after the note was stopped, when they were found in one of his clerk's drawers, and, in answer to a jurymen, said that every Bank note received by his firm from the continent was sent to the Bank of England directly.

Mr. Bovill having replied,

The Chief Justice, in summing up, said that for the purposes of the trial he would regard M. St. Paul as the bearer of the note, and would proceed as if he and Mr. Raphael, who, it was to be borne in mind, was a responsible person living in London, were the same person. The question for the jury arose on the plea that the note having been stolen, St. Paul bought it, and was not the *bond fide* holder for value. Was he the *bond fide* holder? If the jury were satisfied that he had given the full value for the note, which there was the evidence of three witnesses that he had given, was it possible that he could have been such a fool as to give £500 for the note if he had been served with notice of the robbery, and had the notice in his recollection at the time? The jury would say,—

1. Was the money paid?
2. Were the notices served on St. Paul and Co.?
3. Did they know of, and had they the means of knowledge of the robbery at the time they discounted the note?

A jurymen.—They would have to look over 1,460 notices to find it.

The jury, after retiring for three-quarters of an hour, found, in answer to the questions above,

1. That St. Paul gave full value for the note.
2. That the notices were served.
3. That the notices were not taken proper care of, and that St. Paul had the means of knowledge if he had taken proper care of the notice, and that he did not know of the loss at the time; and lastly, that the plaintiff took the note *bonâ fide*.

Verdict for the plaintiff—£534. Execution to be stayed, but no points reserved.

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## Reports of Joint-Stock Banks.

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### BANK OF NEW SOUTH WALES.

THE half-yearly general meeting of the proprietors of this bank was held at the banking-house, in Sydney, on the 25th of April last, Captain Towns, the president, in the chair.

The following report was read, and carried unanimously :—

“It has again become our duty to place before the proprietors the balance-sheet of the bank, signed by the auditors of the company, for the half-year ending 31st March :—

After deducting rebate of interest on current bills, paying all expenses of the bank at the head office and branches, and making provision for all bad and doubtful debts, the net profits amount to	...	...	...	...	...	£38,778	11	0
To which is to be added an undivided profit of last half-year	...	...	...	...	...	1,974	19	11

Making a total of ... .. £40,741 10 11

We now recommend this amount to be appropriated as follows :—

To payment of dividend at the rate of 10 per cent. per annum	...	...	...	...	...	£25,000	0	0
In increase of reserve fund	...	...	...	...	...	9,882	1	10
Leaving for equalisation of future dividends	...	...	...	...	...	6,059	9	1
						£40,741	10	11

The reserved fund will thus be increased to £90,000.

Since the last half-yearly meeting we have erected the gold-buying agency at Beechworth, in the Ovens district, into a branch, and have for the present abandoned the contemplated one at Albury. We deem it desirable that the authority conferred upon us for the establishment of such branches or agencies as we may think expedient to form, be continued to us for the present half-year.

Our amended act has been passed by the Legislative Council, and has received the assent of the Colonial Government.

# *Reports of Joint-Stock Banks.*

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The dividend will be payable at the head office, on and after to-morrow, the 26th instant, and at the branches on receipt of advice.

*Aggregate Balance-sheet of the Bank of New South Wales, March 31, 1855, including London Branch to Dec. 31, 1854.*

<i>Dr.—To</i>	Bank stock	...	...	...	...	£500,000	0	0
	Notes in circulation	...	...	...	...	640,313	0	0
	Deposits	...	...	...	...	1,859,547	6	2
	Bills payable	...	...	...	...	35,162	5	1
	Old Bank circulation	...	...	...	...	4,230	0	0
	Other banks	...	...	...	...	108,534	11	3
	London branch	...	...	...	...	1,153,209	19	1
	Reserve fund	...	...	...	...	80,317	18	2
	Profit and loss	...	...	...	...	40,741	10	11
							<u>£4,422,056</u>	<u>10 8</u>

<i>Cr.—By</i>	Coin	...	...	...	...	£598,155	8	8
	Bullion	...	...	...	...	69,119	13	6
	Notes of other banks	...	...	...	...	15,859	0	0
	Bank premises	...	...	...	...	52,476	17	7
	Office furniture	...	...	...	...	4,352	2	10
	Bills receivable	...	...	...	...	1,645,693	7	0
	Current accounts	...	...	...	...	562,027	2	8
	Other banks	...	...	...	...	51,513	3	10
	London Branch	...	...	...	...	1,421,369	14	7
	Policies of insurance	...	...	...	...	440	0	0
	Suspense note account	...	...	...	...	1,250	0	0
							<u>£4,422,056</u>	<u>10 8</u>

## *Profit and Loss.*

<i>Dr.—To</i>	dividend for half-year, at the rate of 10 per cent.							
	per annum	...	...	...	...	£25,000	0	0
	Reserve fund	...	...	...	...	9,682	1	10
	Carried forward to equalise future dividends	...	...	...	...	6,059	9	1
							<u>£40,741</u>	<u>10 11</u>

<i>Cr.—By</i>	amount from last account	...	£1,974	19	11			
	Profits of half-year ending March 31	38,766	11	0				
							<u>£40,741</u>	<u>10 11</u>

## *Reserve Fund.*

<i>Dr.—To</i>	Balance	...	...	...	...	£90,000	0	0
<i>Cr.—By</i>	balance to Sept. 30, 1854	...	...	...	...	£80,000	0	0
	Premium on sale of unappropriated shares	...	...	...	...	317	18	2
	Amount from profit and loss	...	...	...	...	9,682	1	10
							<u>£90,000</u>	<u>0 0</u>

Audited, GEORGE THORNE,  
FRANCIS MITCHELL, } Auditors.

Sydney, April 23, 1855.

**CHARTERED BANK OF AUSTRALIA, INDIA, AND CHINA.**

AN extraordinary meeting of the shareholders in this company was held at the offices, South Sea House, Threadneedle-street, on the 29th of June, to consider what course should be pursued with regard to the bank. Mr. Thomas A. Mitchell, M.P., in the chair.

The Secretary (Mr. J. C. Stewart) read the advertisement convening the meeting and the following report:—"The directors have called the shareholders together on this occasion, in order to determine on the steps to be taken for the purpose of prosecuting this valuable undertaking. They think it right to contrast the present state of secured success with the mere expectation of prospective success which gave their shares so high a value in the eyes of the public when the first prospectus was issued. This undertaking was established for the highly legitimate object of affording banking facilities to the vast, and still rapidly increasing, trade between the Australian Colonies, British India, China, and the Eastern Archipelago—a field never before occupied by any similar undertaking. With great difficulty the opposition of the East India Company was overcome, and the bank has secured a very extensive and valuable charter, which gives to the shareholders the inestimable protection of limited liability. They have also all the banking privileges in India, which have been so successfully exercised by the Oriental Bank Corporation. The validity of the charter has been established by high legal authority. The bank has a fully subscribed capital, with the deposits all paid up, and it has a very large portion of shares registered, with the first call paid. It has secured lately in the direction, a valuable accession of influential connections with the East; the demand for banking accommodation in the East is evidently on the increase; money at home has become plentiful; and it only remains for the shareholders, with the infusion of new members into their body, to realise the amount of the capital needful for the commencement of business, and to command that success which has attended the Oriental Bank Corporation. There is ample room for both these banks, as well as for the Chartered Bank of Asia (if prosecuted), in the wide field of business which is open in India, Australia, and China. And the directors state with confidence their belief that, neither under any alteration of the law, nor by any future charters, will the great advantage of limited responsibility be secured to any similar banking institution. In the state of the money market some time since, the directors were of opinion that it would be expedient to form an amalgamation with some other banking company, and they intimated to the shareholders in their last report that they had opened negotiations with a bank in India already in operation. These negotiations not having resulted as was expected, the shares, of which the directors had the control, and which were designed for that amalgamation, are now set free for re-issue to the shareholders of the bank, and to the public here and in India. The directors (having regard to the technical difficulties which prevented the proposed amalgamation, and to the serious delays which would have attended it) are as well pleased that this important bank should be prosecuted upon its own foundation; and they call upon the shareholders and the public to remove from their minds the degree of prejudice which has been created by the litigation now entirely at an end, and to regard the undertaking with the same favourable feelings which were so clearly exhibited when the public attention was first called to the wide and profitable field of its operation, and the great and sound objects it had in view. Notwithstanding the harassing delays which this company has hitherto experienced, its position and its course of action are now so clear, and money has become so abundant for all sound and legitimate objects, that the directors do not hesitate to press upon the shareholders their own opinion, that it is the duty of the

court and the interest of the proprietary to uphold the charter which they have with so much difficulty obtained; and they confidently rely on the active and cordial support of the present meeting, and of the proprietary generally, to carry out their views.

FINANCIAL POSITION OF THE COMPANY, AS SHOWN BY THE FOLLOWING BALANCE SHEET, PASSED AT THE GENERAL MEETING OF SHAREHOLDERS HELD ON THE 28TH FEBRUARY, 1855.

*Balance Sheet, 31st December, 1854.*

		LIABILITIES.			
Capital paid up, viz. :—					
Deposit of £2 per share on 32,2000					
shares ... ..	...	£64,400	0	0	
First call of £2 per share on 16,620					
shares ... ..	...	33,240	0	0	
Paid on account of further calls	...	60	0	0	
					£97,700 0 0
Profit and loss account, viz. :—					
Interest...	£5,355 11 1				
Less interest allowed on					
1st call ... ..	568 5 6				
		£4,787	5	7	
Surplus rent and other sources	...	2,541	5	0	
		£7,328	10	7	
Less salaries and other office expenditure, commencing 8th Oct., 1852	...	2,056	13	6	
					5,271 17 1
Unclaimed interest due on 1st call	...				31 17 3
					£103,003 14 4
		ASSETS.			
Securities bearing interest	...				£92,043 15 3
Cash on hand, and at bankers',	...				7,069 1 1
Preliminary expenses, viz. :—Disbursements for law expenses, fees relating to charter, stock broker's commission, advertising, office furniture, &c.	...				3,890 18 0
					£103,003 14 4

N B.—Balance of current law expenses, and fees connected with deed of settlement, still outstanding."

The Chairman said that, the report having been read, he would take the liberty of addressing a few words to the shareholders, though he considered that document would pretty clearly explain the grounds upon which the directors came before them. This was not one of the meetings held in compliance with the provisions of the charter, but was a special meeting called by the directors, in order to consult the proprietors with regard to their position. It would be recollected that, at the general meeting in February, he informed them that proposals had been sent out for an amalgamation with a bank in India, that the answer to those proposals was expected in May or June, and that the directors would not fail, on receiving the answer, to advise with the shareholders on the subject. Since that time, a gentleman had arrived in this country from India to confer with

them on the subject, but, in consequence of technical difficulties—difficulties not raised by this company, and which he did not think had any real foundation—the negotiation for the amalgamation had fallen to the ground. The directors had, consequently, considered what advice they ought to give to the proprietors. Viewing the improvement which had taken place in commercial affairs since the last meeting, the cheapness of money, and that, under the advice of eminent counsel, the directors had obtained the control over a large amount of shares, with a view to the projected amalgamation, he thought they now stood in a very favourable position. Those shares were still under the control of the directors, nothing had occurred to alter their original opinion as to the value of the undertaking, and they believed the charter so valuable that they ought not easily to part with it. Their charter had been obtained with great difficulty; they had a wide and extensive field open to them, and they had only to contend with two rivals—the Oriental Bank, already in successful operation, and probably the Bank of Asia. Nor could their number of rivals well be increased, for, as they were aware, the bills now before Parliament for giving limited liability in partnerships, especially excluded banks from their operation. He believed that the object of the Government, in bringing in those bills, was to put an end to the practice of granting charters to joint-stock companies, by its being enabled to be said that the field was sufficiently extensive for all practical purposes of the employment of capital without such charters. This consideration, he felt, gave to their charter additional value. They possessed, under that charter, all the privileges under which the Oriental Bank was successfully working; and he believed, indeed, they possessed every power with regard to banking operations, excepting that of issuing notes. He did not attach any importance to that power, neither did the Oriental Bank possess the power. Believing, therefore, that they had a profitable field before them, and seeing the present state of the money and commercial market, he thought that they ought not to abandon their charter. As he had mentioned before, the directors had obtained the control over a large number of shares, and they proposed to place those shares under the control of the shareholders or the public. It would be recollected that, three years ago they were not nearly in as good a position as at present—for there were then some doubts whether they should obtain their charter—yet their shares reached a good premium. The directors considered their present position as much better now than at any previous time, and that there was a good chance of the undertaking being very successful, if a favourable view was taken of their position by the existing proprietors, or the public generally. The directors' idea was to go on with the bank if possible; and, if that course was sanctioned by the proprietors, to take the necessary steps for properly placing out the shares, both in this country and in India. Indeed, the directors had reason to believe that a great number of the shares would be taken in India, if the directors had the power to issue those now on hand. The board had lately been considerably strengthened; and he wished to state, in every candour, that it was proposed to place at their disposal 7,000 shares, but only upon the terms they were held by the present proprietors. The directors knew nothing of premiums, but the shares would not be issued at less than par. Twelve, or even six months ago, they could hardly have ventured to come before the proprietors with such a proposal; but things were now much altered—trade was better and more plentiful—and he need only refer to the success which had attended the bringing out of two new London joint-stock banks, as a proof of what he was stating. He believed the proposal with regard to this bank would be received with favour; and, though it was not yet in his power to say how the shares were under the control

of the directors, he might state that, if taken up, such arrangements had been made as to give them full power not only over them, but over all calls, until half the capital was completed. He was also justified in saying that, until the commencement of business, a period, probably, of 18 months or two years, they were in a position to allow the shareholders interest at the rate of 4 per cent. per annum, and that, too, without risk, or affecting their capital. (Cheers.) He believed that, in February last, their attention was called to the financial position of the company, when it was shown that, notwithstanding the expense of obtaining their charter, and the Chancery suit with which they had to deal, and which was now happily settled, they had been able to keep their heads above water, and to preserve their capital nearly intact. (Cheers.) He ought to tell them that their position would not be quite so favourable if they were to determine at once to wind up their affairs, and they would not be enabled to return them the whole of their capital. If, however, they determined to go on, the directors could see their way to paying the shareholders 4 per cent., and to keep up their moderate establishment. (Hear.) That, however, would not include any remuneration to the directors, who, indeed, had never yet taken anything for their services. (Cheers.) He and the other directors were large shareholders, and their opinions of the prospects of the company were much more favourable than at any previous time. The facilities for the expansion of banking in India and China were expanding; but, as regarded Australia, he thought that they were as well out of it at present, though, if they wished to have business there, there could be no doubt of their obtaining it. He must say that he looked upon the exchange business with India and China as most valuable, and likely, under all circumstances, to give them a profitable and secure business. He asked them to consider candidly the propositions in the report, and should now be happy to hear any gentleman who wished to address the meeting on the subject. (Cheers.)

General Aitchison rose to move the adoption of the report. He considered that nothing could give greater weight to any company than the honour and character of its direction. He was aware that in speculative and bubble companies but little weight was attached to these qualities. He knew, and every one knew, that, to the British trader, honour and character were of more value than gold, and that without them nothing could be accomplished—without them no public company could be carried on without meeting with failure and ruin. A recent commercial failure had deeply affected the public mind—the savings of many a life having been absorbed—and the means of sending out sons or grandsons to India destroyed. Every one, therefore, looked to the security of the establishment with which he was about to become connected. If they became connected with this bank, they incurred no liability beyond the amount of their shares, and therefore they knew that they could not be involved in loss over which they had no control. He was unwilling to take up the time of the meeting, but he could not help expressing his opinion that this report, like every report or circular which had issued from the directors, gave evidence of the sincerity and honour of the directors. (Cheers.) There were many—and he was one of the class—who, not being connected with commerce, wished to place their savings where they were sure the business would be properly conducted, and might lead to their receiving large profits. He felt that this was one of such companies, and that the conduct of the directors was deserving of every confidence from those who entered it as an investment, though, perhaps, a different opinion might be held by those who only bought for speculation. He had watched the conduct of the directors from the commencement, and it had ever been such as to give him the highest



confidence in the bank. (Cheers.) He had seen with how much judgment, firmness, and temper their affairs had been conducted; and, looking at the difficulties they had overcome, his confidence had been increased. He had not the honour of being acquainted with any of the directors. He did not say this as a mere courtesy of society; for he thought it a high honour to be acquainted with gentlemen who, by their abilities and character, had gained a high position in society, and who enjoyed the confidence of the world; whilst they had their own business to attend to, could spare the time to manage the affairs of a company like this. (Hear, hear.) He considered that they were now offered advantages which it would not be in the power of any other company to obtain in the way of limited liability, and the obtaining interest for their money whilst the arrangements for business were being carried out, and he knew that large numbers of persons, who would gladly embark their savings in such an undertaking, were deterred from doing so by the prospect of not receiving any interest for a long period. He would not further take up their time, but being curious to hear what objections could be made to the proposal of the directors—and should there be such, he hoped they would give him an opportunity of answering them—he would conclude by moving the adoption of the report. (Cheers.)

Mr. Dakin would not endeavour to follow the gallant general in his eloquent address, which he had listened to with great pleasure, but he would endeavour to touch upon the most important question in the matter before them—the figures. It appeared that since the 28th of February, they had obtained some valuable connections in the East, and the report said, “It now only remains for the shareholders, with the infusion of new members into their body, to realise the amount of the capital needful for the commencement of business, and to command that success which has attended the Oriental Bank Corporation.” He gathered from the observations of the chairman that they were much in the same position as they were on the 28th of February, and that, therefore, whilst it would require £322,000 to enable them to commence business, they were in possession of about £100,000, available for the objects of the institution. (The chairman assented.) They therefore required £222,000 to put them in a position to carry out their charter. Looking, then, at the state of the money market, the confidence entertained in the directors, and the general position of the company, he felt that there would be no difficulty in finding gentlemen to join them in raising the capital. He wished now to ask, seeing that the last call was paid on 16,620 shares, how many there now were on which calls could be made?

The Chairman replied that the original deposit was paid on 32,200 shares, but the number upon which calls could now be made was 16,620, irrespective of those over which the directors now hold a control.

Mr. Dakin thought the explanation very satisfactory, and he therefore had great pleasure in seconding the motion for the adoption of the report.

The resolution was unanimously carried.

Sir Henry Mugggeridge (Alderman and Sheriff) wished, before the business was closed, to be allowed to make one or two observations. He was about to move a vote of thanks to a body of gentlemen who well merited their confidence (the directors), having most successfully overcome the difficulties by which they had been for a considerable time surrounded. As an auditor, he had the fullest confidence in the bank, and he would do everything in his power to support it—(cheers)—and he felt that the proprietors would be only consulting their own interest by doing the same. He had, therefore, great pleasure in moving that the thanks of the shareholders are

eminently due to the chairman and the court of directors for their very able and judicious conduct of the affairs of the company ; and that this meeting, feeling strongly convinced that it is the duty and interests of all concerned to uphold the charter and promote this valuable undertaking vigorously, pledge themselves to give their most cordial support to the directors in the measures which they may now take for that important object. (Cheers.)

Mr. J. Sherrard Clay seconded the resolution, which was unanimously carried.

The Chairman having briefly acknowledged the compliment, and again expressed the fullest confidence in the undertaking, the meeting separated.

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#### CHARTERED BANK OF ASIA.

THE first ordinary general meeting of the shareholders in this company was held on the 30th of June, at their offices, in Great Winchester-street ; Mr. J. Wingate Henderson, the chairman of the company, presided.

The report of the directors, which was read by the secretary, stated—“ That since the extraordinary meeting, held on the 21st of July, 1854, the directors have been occupied with the negotiations then pending for an amalgamation with the Mercantile Bank of India, London, and China ; but, those negotiations having for the present terminated unfavourably, the directors solicited by circular the opinions of the shareholders as to the course which should be adopted. A considerable number of the shareholders were prepared to avail themselves of the third alternative, suggested in the board's circular of the 15th of May, of dissolving the bank and relinquishing the charter ; but that number was considerably under a sufficient majority, in accordance with the requirements of the deed, to effect a dissolution. The directors next turned their attention to the best mode of proceeding, in order to consult alike the interests of shareholders, who had expressed a desire of retiring from the bank, as well as of those who wished to continue their investment. Under these circumstances the parties representing the Mercantile Bank of India, London, and China in this country, with whom the directors had previously been in negotiation with reference to the proposed amalgamation, expressed an anxious desire to preserve the charter from being lost, and eventually proposed to purchase at par the shares of all parties desirous of relinquishing their interest in the bank, so as to enable them to retire without loss and without extinguishing the charter. The directors considered this proposition to be both advantageous and equitable between shareholders wishing to retire, and those desirous of remaining ; and, accordingly, they lost no time in submitting it to the proprietary at large. By this arrangement, which has since been carried into full effect, the directors have succeeded in reconciling the interests of all sections of the shareholders, and at the same time of accomplishing the important object of preserving the charter. The measures contemplated under this arrangement for the future operations of the bank will, in all probability, be nearly the same as those alluded to at the last general meeting, and which were then considered so advantageous for the shareholders of the Bank of Asia.

The following statement of accounts was then read :—Balance in hand July 15, 1854, as rendered at extraordinary general meeting, held on the 21st of July, 1854, including the capital representing the 4,000 shares, which, in accordance with the resolution of the general meeting held July 21, 1854, the directors hold for future appropriation by the bank, £104,361 12s. 9d. Received—Interest on loans, £1,716 15s. 1d. ; fees on transfers, £9 2s. 6d.—£1,725 17s. 7d. Disbursed—For salaries, stationery, rent,

and office expenses, £391 4s. 5d.; for payment of 4s. per share, or 4 per cent., made August 7, 1854, on account, £3,043.—£3,434 4s. 5d. Total, £102,653 5s. 11d. Assets—Securities, £99,500; balance at bankers, £3,151 7s. 2d.; petty cash in office, £1 18s. 9d. Total, £102,653 5s. 11d., subject to a payment of £157, on account of unclaimed dividends.

The Chairman stated that he had intended to give, in addition to the accounts as made up to the end of December, an estimate of how they stood at the present time, but he found there was some difficulty in arriving at an exact estimate of some items; he might, however, state generally, that £1,500 had been received since December, and that, after paying all liabilities, including income tax, solicitor's bill, and all other charges, there would be a surplus of, in round numbers, £2,000. He explained that the reason why the negotiation for the amalgamation with the Mercantile Bank of India had failed, was a doubt which had arisen whether the clause in the charter, which empowered the Bank of Asia to do in India business of exchange, deposit, and remittance, empowered them to receive money on deposit, and use it, by lending, or otherwise dealing with it. Sir R. Bethell, by whom the charter had been drawn, on being appealed to, gave it as his opinion that it empowered the bank to use money received on deposit for all proper banking purposes. This, however, was not satisfactory to the Mercantile Bank of India, and then it became necessary to obtain an indorsement on the charter by the Board of Trade, explanatory of the clause. This, however, might have occasioned a delay of eight, ten, or twelve months, which the shareholders would probably have objected to. The directors, under these circumstances, submitted to the shareholders, by circular, in May last, three alternatives—1st, to proceed with the calls and to organise the bank; 2nd, to keep the funds in abeyance and wait for a more favourable opportunity for commencing operations; and the 3rd, to wind up the company. Had there been anything like the required majority of two-thirds in favour of winding up, the directors would have waived their own opinions, and submitted a proposition for that purpose; but, out of 16,000 shares, 8,100 only were in favour of that course. The dissentient shareholders, consequently, had to choose between holding their shares and selling them in the market. At this juncture the proposition of buying up at par the shares of such of the shareholders as wished to retire from the concern was made by the parties who represented the Mercantile Bank. By this arrangement, which was most beneficial to all parties, and especially so to the dissentient shareholders, the Mercantile Bank would take no portion of the existing surplus, they having stipulated only that all outstanding liabilities should be discharged, and that arrangements should be made for representing their interest at the board, to comply with which latter requirement four seats in the direction would be placed at their disposal. He concluded by moving that the report and accounts be adopted.

The resolution was put and carried.

Mr. R. L. Leckie, one of the retiring directors, was then re-elected, and the places of the two other gentlemen who retired by rotation; and two vacancies in addition to the full number of the board were filled up by the election of Mr. G. Meek, Mr. P. W. Flower, Mr. D. Larnach, and Mr. W. S. Grey, four gentlemen connected with the Mercantile Bank of India.

Mr. A. Moore moved a resolution for rewarding the services of the directors, by paying over to them whatever surplus might remain beyond the subscribed capital, after discharging all the existing liabilities of the company, which was seconded by Mr. Earl, and carried unanimously; and after a vote of thanks to the chairman for his services at the meeting, the business terminated.

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COMMERCIAL BANK OF LONDON.

THE fifteenth annual meeting of the proprietors of this bank was held at the bank premises, Lothbury, on the 17th of July, Mr. Mark Hunter presiding, when the following report was unanimously adopted:—

The directors have to bring before the shareholders the fifteenth annual balance-sheet, which shows that, after paying all expenses, and making provision for bad and doubtful debts, the net profits of the bank for the year ending 30th June, 1855, amount to £36,180 0s. 1d. A dividend at the rate of £7 per cent. per annum for the half-year ending 31st December, 1854, has been already paid, and the directors have now to declare a dividend for the half-year ending 30th June, 1855, at the same rate, with a bonus of £3 per cent., making the dividend and bonus for the year £10 per cent., free from income tax. After paying this dividend and bonus, and allowing for rebate on current bills, there will remain a balance of £1,343 16s. 9d., to be carried to the reserve fund, increasing that fund to £67,453 9s. In compliance with the provisions of the deed of settlement, the following directors, viz., Thomas Barnewall, Esq., Jonathan Hopkinson, Esq., Edward Oxenford, Esq., Thomas Winkworth, Esq., retire from office; and Jonathan Hopkinson, Esq., Edward Oxenford, Esq., Thomas Winkworth, Esq., being eligible, offer themselves as candidates for re-election; and Sir Joseph Paxton, M.P., who is a duly qualified proprietor, offers himself as a candidate for the vacant seat.

*Balance-sheet to 30th June, 1855.*

<i>Dr.</i> —Capital subscribed ... ..	£1,500,000		
Capital paid up ... ..	£300,000	0	0
Guarantee fund invested in Government securities .	66,109	12	3
Balances due to the customers of the bank ...	1,317,554	5	2
Balance carried down, after deducting bad and doubtful debts, income tax, and all charges and current expenses ... ..	36,180	0	1
	<u>£1,719,843</u>	<u>17</u>	<u>6</u>
<i>Cr.</i> —Cash in hand, Government securities, India bonds, bills discounted, &c. ... ..	£1,719,843	17	6
Dividend at the rate of £7 per cent. per annum, for the half-year ending 31st December, 1854, already paid ...	£10,500	0	0
Dividend at the rate of £7 per cent. per annum, for the half-year ending 30th June, 1855 ... ..	10,500	0	0
Bonus of £3 per cent. per annum ... ..	9,000	0	0
Rebate of interest on current bills, carried to profit and loss, new account ... ..	4,836	3	4
Balance carried to the guarantee fund, making that fund £67,453 9s. ... ..	1,343	16	9
	<u>£36,180</u>	<u>0</u>	<u>1</u>
Balance brought down... ..	<u>£36,180</u>	<u>0</u>	<u>1</u>

The Chairman stated that, though their dividends might not be quite so large as those of some of their younger rivals, yet he thought their position must be regarded as satisfactory, especially as they had doubled their

capital within the last four years, and 10 per cent. was paid upon the whole amount. They had now 340 proprietors, and, as the principles of joint-stock banking were now becoming generally understood and appreciated by the public, there could be no doubt their business would go on increasing—the more especially if the shareholders would exert themselves to introduce new customers.

Some conversation ensued, in which it was urged that the directors did not give equal publicity to the principles of the bank as some of their rivals, by way of advertisement; and now that there was so much competition, and the Unity was about to introduce a new principle of division of profits into banking, it would be well if the existence of this bank was made more generally known. It was also urged that additional branches would be advantageous.

The Chairman replied that, by their deed, they were precluded from having more than one branch, and the directors had no objection to give increased publicity to the principles of the bank, amount of capital, &c., though they did not think that they had the same reason to do so as the London and Westminster and other banks, which had been establishing additional branches, in consequence of recent events in the banking world.

At the instance of a proprietor, it was agreed that a list of the shareholders, with their addresses, should be printed and circulated, and the report was adopted.

Messrs. Hopkinson, Oxenford, and Winkworth were re-elected directors; and Sir Joseph Paxton, M.P., having been put in nomination for office, in lieu of Mr. Barnewall, a conversation arose as to whether, with his numerous other engagements, he could give the necessary time to the discharge of the duties. Mr. Jackson, a director, explained that some of Sir Joseph's present engagements would shortly cease, and that he had been most useful, and would, as a director, be much more so to the bank, by the introduction of the accounts of persons of considerable position and influence with whom he had the honour to be acquainted. Sir Joseph having been unanimously elected, the proceedings were closed by the passing of the usual complimentary votes.

#### LONDON AND WESTMINSTER BANK.

A SPECIAL general meeting of the proprietors of this bank was held at the Bank-house in Lothbury, on the 18th of July, to receive the half-yearly report of the directors and to declare a dividend. Mr. J. Lewis Ricardo, M.P., presided, and the attendance of the shareholders was more than usually numerous.

The secretary (Mr. Fairland) read the following report:—

The directors have the pleasure to report that, after making provision for all bad and doubtful debts, paying the income tax, and setting apart £2,000 towards the new buildings in Lothbury and Bloomsbury, the net profits of the bank for the last half-year amount to £81,089. Out of this sum the directors have allowed interest on the rest or surplus fund at the rate of five per cent., and they now declare a dividend to the shareholders at the rate of six per cent. per annum, and also a bonus of four per cent. upon the paid up capital. After these payments are made, there is a balance of £7,725 16s. 9d., which is carried forward to the credit of profit and loss account for the ensuing half-year. Circumstances having induced the directors to consider it advisable to establish a branch near Temple-bar, they have opened temporary offices in that locality.

# *Reports of Joint-Stock Banks.*

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## *Balance-sheet to June 30, 1855.*

<i>Dr.</i> —To proprietors, for paid-up capital...	£1,000,000	0	0
To amount due by the bank on deposits, circular notes, &c. ...	8,166,553	7	4
To rest, or surplus fund ...	134,526	10	11
To net profits of the past half-year ...	81,089	0	0
	<u>£9,382,168</u>	<u>18</u>	<u>3</u>
<i>Cr.</i> —By Government stock, Exchequer bills, Exchequer bonds, and India bonds ...	£1,754,074	13	1
By other securities, including bills discounted, loans to customers, &c. ...	6,905,851	1	6
By cash in hand ...	722,213	3	8
	<u>£9,382,168</u>	<u>18</u>	<u>3</u>

## *Profit and Loss.*

<i>Dr.</i> —To total expenditure of the six establishments, including rent, taxes, salaries, stationery, &c. ...	£22,938	6	0
To amount set apart towards the new buildings in Lothbury and Bloomsbury ...	2,000	0	0
To payment of the dividend now declared, at the rate of 6 per cent. per annum, for the last half-year, on the paid-up capital of £1,000,000 ...	30,000	0	0
To bonus of 4 per cent. on the capital ...	40,000	0	0
To balance of profit and loss account ...	7,725	16	9
To rest, or surplus fund :—			
Amount on January 1, 1855 ...	£134,526	10	11
Interest on ditto at 5 per cent. ...	3,363	3	3
	<u>137,889</u>	<u>14</u>	<u>2</u>
	<u>£240,553</u>	<u>16</u>	<u>11</u>
<i>Cr.</i> —By rest, or surplus fund ...	£134,526	10	11
By gross profits of the last half-year, after paying the income tax and making provision for all bad and doubtful debts ...	106,027	6	0
	<u>£240,553</u>	<u>16</u>	<u>11</u>

The Chairman, after expressing the pleasure he felt at seeing so large an attendance of the proprietors, and his opinion of the advantages which the half-yearly scrutiny to which the affairs of such undertakings were subjected, and the bringing the proprietors and the directors together face to face with each other, conferred, proceeded to move the reception and adoption of the report. Before adverting to the few topics which he believed the directors wished him to mention, he would take the liberty of making one or two observations on the figures in the accounts which had just been presented. They would perceive that the net profits of the half-year had been £81,089, £30,000 of which was apportioned to the payment of a dividend, and £40,000 to the payment of a bonus for the half-year, leaving a balance on the profit and loss account of £7,725, which would be carried

over to the profits of the next half-year, to be dealt with according to the intimation given to the proprietors at the meeting in July last year; that all fractional balances should be henceforward carried over to the rest; and that in the meantime no other amounts should be added to that fund, except the interest accruing from the rest itself. He wished on the present occasion, seeing the large number of new undertakings of this nature which were growing up around them, to make one remark in reference to the amount of the capital. The London and Westminster was now paying a dividend which, with the bonus, was equal to 14 per cent. upon a million. If their capital were only £500,000 instead of a million, and their profits were equal to what they now were, it was clear they would be able to pay a dividend of 28 per cent. The Directors, however, had from the beginning looked rather at the continued and permanent advantage of the concern than to any amount of present prosperity, and they felt that the best mode of achieving that was by creating the greatest possible amount of confidence in the public mind, and by proving that the bank was ready on all occasions to meet every engagement they entered into. It would be perceived that they had a million of subscribed capital, and, invested in Government securities, India stock, Exchequer bills, and Exchequer bonds, £1,754,074, and that the amount of cash in hand was £722,243, so that, in point of fact, they had £2,500,000 available to meet any engagements they might incur. (Hear, hear.) They must not suppose that there was any disadvantage in having so large a sum as £1,754,000 invested in Government securities. On the contrary, after examining into the thing completely, he believed it to be the fact, that the most profitable part of their business were these Government investments. (Hear.) It was quite clear that if these eight millions of deposits were invested entirely in Government securities, paying 3½ per cent., that the amount of profit they would have received for the half-year, instead of being £81,000, would have been £130,000. Therefore, all those various transactions of loans and discounts, in which all banks were called upon to engage for the accommodation of their customers, and which were a necessary part of banking business, were less profitable than investments in public securities. The investment of this large amount, therefore, in these securities, was no disadvantage in a pecuniary view to the proprietors, while it gave great stability to the bank, and great confidence to the public. The report stated that the directors had thought it advisable to open a branch near Temple-bar. Hitherto the board had been anxious not to overstep those bounds of forbearance and courtesy which had, he believed, always distinguished the competition amongst banks, as compared with the competition amongst other trading companies, and acting upon that feeling they had until now never contemplated the establishment of a Temple-bar branch. But finding, from circumstances that had recently occurred, that it was likely there would be persons in that locality desirous of opening banking accounts, they thought they were doing no more than their duty to their proprietary in promptly taking measures for opening a branch there, and supplying the deficiency which the circumstances he alluded to had created. (Hear.) They had accordingly taken temporary offices in the immediate vicinity of Temple-bar, and had engaged a gentleman to manage their business who had been long engaged in the bank which had hitherto existed there, who was well known to the customers of that bank, and was well acquainted with the banking wants of the neighbourhood. He was happy to say that this step had been eminently successful, and the number of deposit accounts which had been opened at this new branch—notwithstanding many of the customers of the bank he alluded to had availed themselves of some others of the branch establishments of the London and

Westminster—was extraordinary, considering the shortness of the time it had been opened. (Hear, hear.) During the half-year, there had been an attempt made by the Government to interfere with the banking system generally. Most of those who were present would be aware that during the present session the Chancellor of the Exchequer had proposed to raise a certain amount of taxation, estimated by him at £200,000 a year, by imposing a stamp duty on bankers' cheques. The joint-stock banks had a meeting on the subject, and agreed to do all they could to oppose the measure. He might add, too, that subsequently the private banks, which had not generally shown themselves over anxious to join in arrangements with the joint-stock banks, united with them. A deputation waited upon the Chancellor of the Exchequer, but as they did not succeed in obtaining from the right hon. gentleman a satisfactory answer, the banks felt it necessary to take the matter into their own hands, and he (Mr Ricardo) placed on the books of the House of Commons a notice of a resolution in opposition to the Government proposition. The opposition, he was happy to say, was successful, and the attempt to tax bankers' cheques was abandoned. (Cheers.) He believed that although a tax upon articles of manufacture might be a necessity, and though a tax upon the raw materials of manufacture might be a necessity, as it was also a misfortune, a tax on the machinery of commerce was an offence against all sound financial and commercial principles, which no Chancellor of the Exchequer would ever be able to carry out. (Hear.) If there was one advantage greater than another which the trader of this country enjoyed, it was the system of banking existing only in this country, which enabled him to keep his accounts with the most perfect system of check, to deposit his securities safely, to make his bills payable at a banker's, and gave him many other facilities in carrying on his business, which required only to be generally known, to be generally adopted. The honorary secretary to the committee of bankers opposing the Chancellor of the Exchequer's proposition was Mr. Vile, a gentleman who had long been the manager of one of the branches of the London and Westminster, and whose name he mentioned in order to bring before the proprietors the fact that that gentleman, after very many years of able and zealous service, was about to retire, and that the directors, with the consent of the proprietors he hoped, proposed, as an acknowledgment of the valuable aid he had rendered to the concern, to allow him a retiring pension of £1,000 a year. In moving the present report, he, on the part of his colleagues and himself, had to ask the proprietors for something more than their passive approbation. He had to ask them for their active co-operation. New banks were starting up around them every day, and though that circumstance afforded no ground for alarm to the directors of the London and Westminster Bank, who knew that there was a great difference between projecting a bank and working it on to prosperity, and though they knew that if other banks made progress theirs would probably progress also, yet it was necessary that in the competition that existed and was threatened the proprietors should exert themselves like good partners in assisting the directors to bring business to the establishment. (Hear, hear.) He had heard of a new bank, in which the depositors were to become, to a certain extent, shareholders, and to share the profits. That, he thought, was reversing the order of things, and beginning at the wrong end. He would say that the proprietors should rather become depositors, than that the depositors should become proprietors. He was quite sure that there was no proprietor who could not, if he exerted himself, bring one depositor to the bank during the year. They should remember that they could have no superfluity of strength. The larger the amount of the depositors in the bank the larger must necessarily be the dividends of the proprietors, and he was quite sure



that no one of them would enjoy his profits the less from the consciousness that he had in some degree contributed to their obtainment. (Cheers.)

Sir C. Burrell, M.P., seconded the motion, and expressed his great satisfaction at the prosperity of the bank, which had increased from year to year, and which, while it continued under the present able management, he was convinced would continue to do so. He felt great pleasure in adding his testimony to the value of Mr. Vile's services, who, as the manager of the Westminster branch, had greatly contributed to the success of the bank.

Mr. Hadow added his testimony in favour of Mr. Vile.

A Shareholder expressed dissatisfaction that the dividend and bonus did not equal the rate paid at the Christmas half-year, viz., 16 per cent. The Union Bank was a much younger establishment, and it paid 20 per cent.

A Director—But that is upon £600,000 only, whereas we pay upon a million.

The Shareholder in continuation said, he was not quite sure that the chairman was right in his opinion as to the advantage of investing the deposits in Government securities. With regard to Mr. Vile's services, he believed they had been of great use to the bank, but he objected to the principle of giving pensions. They should pay their servants well when in their employ, but never recognise the system of pensions, which was now exploded even in the Government offices. He thought the chairman of a bank which had been first to introduce improvements in banking, was the last that ought to find fault with the Unity for seeking to introduce a further improvement. If the London and Westminster had adopted the Scotch system of banking, their prosperity would have been ten times greater than it had been.

The Chairman, in answer to questions, said that every case of pension would rest upon its own merits. The successor of Mr. Vile was Mr. Wellden, who had been twenty years country manager. With regard to the advantage of investing in Government securities, he had in his hand a table showing what would have been the comparative results of an investment of a million in Consols, and the investment of the same sum in discounting bills in the usual way. The investment in Consols, if made in 1843, when Consols were at 94½, would have produced to the year 1854, £31,750, whereas the investment of the million in discounting bills, at the rate which had ruled during those years at Overend and Gurneys—viz., £2 10s. 10d. per cent. and 10s. added, would have produced only £30,416 13s. 4d. The hon. proprietor who had complained of the rate of dividend was wrong in supposing that a higher rate was paid last year. It was true the dividend and bonus paid at the last half-year were at the rate of 14 per cent., but the previous payment had been at the rate of 12 per cent. only, making the average rate for the year 14 per cent. This year they commenced with that rate, by paying 7 per cent. for one half-year, and he hoped they would be enabled to maintain it. (Hear, hear.)

Mr. Hadow asked whether the directors had ever thought it possible to make some arrangement with the *employés* of the bank, either by aiding them in the way of life assurance or by some other way, whereby the necessity for retiring pensions might be avoided.

The Chairman replied that the subject had been under the consideration of the board, but it was found to be one fraught with difficulty. It would not, however, be lost sight of.

Thanks were then voted to the board, the chairman, Mr. Gilbert (the general manager), and the other managers of the bank, and the meeting broke up.

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LONDON JOINT-STOCK BANK.

THE half-yearly meeting of this bank was held at the offices, Princes-street, on the 19th of July, Sir G. Carroll in the chair, when the following report and accounts were adopted. The whole of the discussion was congratulatory, the shareholders generally approving the statement presented. At the next meeting the bonus will be declared.

"The directors, in presenting the annexed accounts (from which it will be seen that the business of the six months ending the 30th of June, has resulted in a net profit of £72,624), have to inform the shareholders that the position of the bank appears to them to justify an increased rate of dividend, and that they have accordingly appropriated £37,500 out of the above sum to the payment of the half-yearly dividend, at the rate of 12½ per cent. per annum, leaving £35,124 of undivided profit to the credit of profit and loss account for the following half-year. The dividend, free from income tax, will be payable on and after Friday, the 27th inst.

*Liabilities and Assets, June 30, 1855.*

<i>Dr.</i> —To capital paid up—viz., 60,000 shares at £10 each	£600,000	0	0
To amount due by the bank...	6,534,238	15	0
To amount of "the guaranteed fund," December 31, 1854	£156,032	10	11
To six months' interest on ditto, at £3 per cent. per annum	2,340	9	9
		158,373	0 8
To amount carried to profit and loss account		113,077	7 8
		<u>£7,405,689</u>	<u>3 4</u>
<i>Cr.</i> —By Exchequer bills, India bonds, &c.	£729,577	12	3
By bills discounted, loans, and cash	6,640,995	14	5
By building, furniture, &c., in Princes-street...	£26,615	16	8
By ditto, in Pall-mall	8,500	0	0
		35,115	16 8
		<u>£7,405,689</u>	<u>3 4</u>

*Profit and Loss Account, for the Half-year ending the 30th of June, 1855.*

<i>Dr.</i> —To current expenses, proportion of building expenses, directors' remuneration, bad debts, income tax, &c.	£20,438	14	7
To amount carried to profit and loss, new account, being rebate of interest on bills discounted, not yet due	20,014	3	11
To dividend account for the payment of half a year's dividend, at the rate of £12 10s. per cent. per annum, upon £600,000, amount of paid-up capital upon 60,000 shares	37,500	0	0
To balance, being undivided profit for the past half-year	35,124	9	2
		<u>£113,077</u>	<u>7 8</u>
<i>Cr.</i> —By balance brought down	£113,077	7	8

**CARLISLE CITY AND DISTRICT BANK.**

The directors have declared a dividend of 5 per cent. and a bonus of 2½ per cent. for the half-year, ending 30th June, 1855, being equal to 15 per cent. per annum, both payable on 2nd August next. The profits during the half year, after paying all expenses, amount to £4,833 15s. 8d., being at the rate of £16 13s. 4d. per cent. per annum on the paid up capital of £68,000. The balance of £483 15s. 8d. remaining after providing for the dividend and bonus, has been carried to the auxiliary fund, thus increasing it to £2,175 11s. 2d. The guarantee fund remains complete at £19,333 6s. 8d.

**UNION BANK OF LONDON.**

The ordinary annual meeting of proprietors in the above banking company was held on the 11th of July, at the banking-house, Princes-street, Mansion House, Sir Peter Laurie in the chair.

The Secretary (Mr. Walter Laurie) having read the advertisement and the minutes of the preceding meeting, including a vote for a full-length portrait of the governor, Sir Peter Laurie, to be placed in the board-room, proceeded to read the following report and statement of accounts:—

The directors have the pleasure of presenting their sixteenth annual report of the affairs of the bank, from which it will be seen, that after deducting all current expenses, including the sum of £142,092 1s. 1d., paid and due to customers for interest on their current and deposit accounts, the net profits of the year ending 30th June last amount to £139,967 9s. 10d. The directors have much satisfaction in declaring a dividend for the last six months of 5 per cent., and a bonus of 7½ per cent., making, with the dividend and bonus paid in January last, 20 per cent. for the past year, viz., 10 per cent. dividend, and 10 per cent. bonus, clear of income tax. After payment of the dividend and bonus for the year, amounting to £119,511 7s. 6d., there will remain an unappropriated surplus profit of £20,456 2s. 4d., to be carried to the credit of profit and loss, new account, for rebate of interest on bills not yet due, income tax, &c. Gratifying as it is to the directors to be able to declare so large a bonus in addition to the annual dividend of 10 per cent., the proprietors must bear in mind that this great amount of profit does not arise wholly from the increase of business during the past year (large as that increase has been), but that the high rate at which money ruled, during the greater part of the last twelve months, has also materially contributed to this result; the amount, therefore, of the future bonus must be dependent, in a great degree, on the state of the money market. In conformity with the announcement made at the last annual meeting the reserve shares were issued in July, 1854, at a premium of £5 per share, producing the sum of £261,680; of this amount, £177,100 have been added to the capital, which now amounts to £600,000, and the additional sum of £84,580, arising from such premium, has been appropriated by adding £70,000 to the reserved fund, now amounting to £120,000; by the entire liquidation of the preliminary expenses, amounting to £8,500; and by carrying the balance of £6,080 to the part payment of the extension of the premises at this office, and at the Regent-street branch. For some years past the directors have been urged by influential members of the legal profession to open a branch in the neighbourhood of the inns of court, but the reluctance which they have felt to multiply branches induced them to postpone the adoption of such a course. The suggestion having been again pressed upon the directors, in consequent of recent events, they have established a branch near Temple-bar, which holds out

every prospect that the security afforded by the joint-stock principle, and the advantages offered by the terms of this bank, will be duly appreciated in that locality.

LIABILITIES.

<i>Dr.</i> —Paid-up capital, £10 per share on 60,000 shares ...	£600,000	0	0
Due by the bank on current accounts, deposit receipts (including interest accrued), circular notes, &c. ... ..	8,363,460	18	8
Reserved fund, invested in Bank of England Stock, as per contra ... ..	120,000	0	0
	£9,083,460	18	8
Surplus profit ... ..	139,967	9	10
	£9,223,428	8	6

ASSETS.

<i>Cr.</i> —Cash in the bank, in the Bank of England, Exchequer bills, and other Government securities, loans, bills discounted, &c. ... ..	£8,992,900	12	3
£60,000 bank stock (taken at 200, present value being 210) reserved fund ... ..	120,000	0	0
Bank premises, consisting of freehold buildings in Princes-street, Mansion House-street, and Argyll-place; and lease and fixtures of 4, Pall-mall East... ..	66,016	8	9
Half-year's dividend and bonus, to 31st December, 1854, amount carried forward ... ..	44,511	7	6
	£9,223,428	8	6

*Appropriation of the Surplus.*

Dividends on paid-up capital, viz. :—

Half-year, to 31st December, 1854, already paid, at 5 per cent. ... ..	£29,674	5	0
Bonus at 2½ per cent. ... ..	14,837	2	6
Half-year, to 30th June, 1855, now declared, at 5 per cent. ... ..	30,000	0	0
Bonus at 7½ per cent. ... ..	45,000	0	0
	£119,511	7	6

Undivided Profit—carried to profit and loss, new account, for rebate of interest on bills not yet due, income tax, &c. ... ..	20,456	2	4
	£139,967	9	10

Profit, as above, after deducting all expenses paid or due, and interest (£142,092 1s. 1d.) allowed to customers on their current and deposit accounts ... ..	£139,967	9	10
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The Chairman, in proposing the adoption of the report, dwelt on the gratifying fact that it showed a dividend and bonus for the year of no less than 20 per cent. They must not, however, expect always to get such dividends. The money market had been very favourable for banking operations during the past year, and interest on advances had ruled high. The directors had, however, been very cautious in preparing for eventualities, having raised the reserved fund to no less a sum than £120,000. The chairman having slightly glanced at the features of the report, and congratulated the shareholders on an addition of 100 new members to their body, concluded by proposing that the report and accounts be adopted and printed for circulation amongst the shareholders.

Mr. Brown asked whether it was intended to increase the reserved fund beyond £120,000?

The Chairman said it would not be permitted to go below £120,000; he could not pledge himself to a limit.

Mr. Borrodaile congratulated the directors and shareholders on the progress made by the bank during the past year. They had increased their capital by a million, and although the rates might not be so good in another year, they would have more money to deal with, so as to make the gross profits nearly equal. He thought the report an excellent one, and thanked the directors for its production.

Mr. Wagstaff was of opinion that, looking at the large dividend and bonus that had been realised during the past year, it was but fair that their servants should be allowed to share in their prosperity. He did not mean to dictate to the directors as to the permanent salaries of the clerks, but thought that during the present year they might be assisted, at least to the extent of the increase in their income tax.

The Chairman said that the clerks of the Union Bank were better paid than those of any other banking establishment in London, and were so satisfied with their positions as to have retained their situations, although frequently tempted by the new banks which were springing up around them every day. As a matter of principle, he deprecated any interference on the part of the shareholders in the details of the bank management.

Mr. Anderton was strongly of the same opinion, and thought that the more income tax the clerks had to pay, the better they ought to be satisfied with their position.

The report was then adopted. The three out-going directors, Mr. H. Hulbert, Colonel Thomas Matheson, and Mr. Archibald Boyd, were re-elected, and thanks having been voted to the directors and managers, the proceedings terminated.

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#### COLONIAL BANK.

THE general meeting of the proprietors of this bank was held at the London Tavern, on the 11th of July, Mr. C. Marryat in the chair.

The Secretary read the following statement of accounts and report:—

**Debts.**—Circulation £173,250 15s. 10d.; deposits and other liabilities, £1,094,397 16s. 3d.; paid-up capital, £500,000; fund to meet bad debts, £143,969 5s. 10d.; profit, £19,656 3s. 9d.; total, £1,931,274 1s. 8d.

**Assets.**—Specie, £274,944 12s. 10d.; due to the bank in the colonies, on bills discounted and purchased, including those past due, £813,679 2s. 7d.; due to the bank in the colonies, on cash credits and current accounts, £131,107 18s. 4d.; due to the bank in London, on bills remitted, cash at bankers, &c., £703,510 19s. 1d.; bank premises and furniture in London and the colonies, £8,031 8s. 10d.; total, £1,931,274 1s. 8d.

As the directors are again enabled to present a statement, showing an increase in the profits of the corporation, and to add that the accounts of the half-year just ended, down to the latest date in their possession, give reason to anticipate an equally favourable result, they consider the time has arrived when they may comply with the wishes of the proprietors, to divide a larger proportion of the profit. They consequently recommend that out of the profit of the half-year, ending 31st December, 1854, amounting, as per above statement, to £19,656 3s. 9d., a dividend be declared of 2½ per cent. (being at the rate of 5 per cent. per annum) on the paid-up capital of the corporation, which will require £12,500, leaving £7,156 3s. 9d. to be added to the fund to meet bad debts, whereby it will be increased to £150,125 9s. 7d. The income tax on the dividend will be paid by the Bank. In accordance with the resolution passed by the proprietors at the special general meeting held on the 24th May last, the directors have applied to Her Majesty's Government for a supplementary charter, to enable the corporation to carry out its business after the expiration of the present charter, and they have every reason to expect that it will be granted.

The Chairman expressed the pleasure which he had in presenting a report which fully realised the hopes he held out at the last meeting of a speedy increase in the dividend, and he was happy to say that that result was attained without seriously diminishing the amounts set apart each half-year for meeting the bad debts. The proprietors must not, however, expect that the present rate of dividend would be increased for some time to come.

The usual motion for receiving and adopting the report and accounts was put and carried unanimously; and a vote of thanks having been passed in favour of the chairman and his co-directors, the meeting separated.

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#### LONDON AND EASTERN BANK.

At a meeting of the London and Eastern Bank, held on the 16th of July, a dividend at the rate of 6 per cent. per annum was declared, and the report was adopted. It was explained, that the amount about to be distributed has been realised from the operations carried out at the head office in London, the accounts from India not having yet been prepared. The opening of a branch in the neighbourhood of Hyde-park has been resolved upon. In answer to questions, it was mentioned that every endeavour will be made to conduct the general management with economy, and that the report and accounts will in future be circulated among the shareholders a few days previously to the ordinary meetings. The following is an abstract of the report:—

“The directors have pleasure in meeting the shareholders on the day fixed by the charter for the annual meeting, and have to congratulate them on the success attending operations for the past six months, during a portion of which time only the bank has been working under its deed of incorporation. The advantages gained by its new charter and by the peculiar constitution of the bank are greater than generally supposed; for, while the directors possess and exercise the fullest powers of bankers in this country, they have, in their Indian branches, at Calcutta and Bombay, an outlet such as no other bank in London possesses for the safe and profitable employment of their capital and deposits, when they cannot use them so advantageously in this country. Since the meeting in February, the bank has been joined by some influential and wealthy shareholders, and has largely increased its business connections and constituents; and the directors have,

at the instance of some of the residents at the West-end of London, made arrangements for the establishment of a branch near Westbourne-terrace, to be called the Hyde-park Branch, and require only the consent of this meeting to open it for business. The directors have to advise the shareholders that this bank has now the agency in London, Calcutta, and Bombay of three of the local Indian banks, and is thus enabled to draw, on favourable terms, on most of the principal stations in India. The balance-sheet and estimated profit and loss sheet up to the 30th of June last are now before the meeting, and the directors trust they will afford satisfaction to the shareholders, and be considered as justifying their declaring a dividend for the past half-year at the rate of 6 per cent. per annum. To pay this dividend £7,500 will be required, while the estimated net divisible profits, as shown by the profit and loss sheet of the head office only, amount to £13,379. At the next ordinary general meeting, accurately closed, checked, and audited accounts up to the end of the year will be presented, when the exact amount of the rest, or undivided surplus profit, will be exhibited.

*Statement of the Liabilities and Assets.*

## LIABILITIES.

Shareholders on capital account	...	...	...	...	£250,000	0	8
Fixed and floating deposits and drafts in circulation	...	...	...	...	87,009	7	6
Loans and discounts	...	...	...	...	77,975	9	8
Profit and loss	...	...	...	...	13,379	19	6
					<u>£428,364 16 8</u>		

## ASSETS.

Capital account with branches	...	...	...	...	£57,800	0	0
East India Government securities, bills of exchange, Treasury and agency drafts, and cash in hand	...	...	...	...	42,220	7	7
Bills discounted, advances, and cash credits	...	...	...	...	325,064	15	2
Stamps	...	...	...	...	247	19	2
Preliminary expenses	...	...	...	...	3,031	14	9
					<u>£428,364 16 8</u>		

*Estimated Profit and Loss Account at the Head Office for Half-year ending June 30.*

To head office expenses—viz. ;—						
Establishment expenses	...	...	...	...	£1,137	14 4
Charges general account	...	...	...	...	207	11 11
Postages	...	...	...	...	107	4 7
To amount of net profit for half-year	...	...	...	...	13,379	19 6
					£14,832	10 4
By head office to this date :—						
Per exchange profit and loss account	...	...	...	...	7,021	0 3
Interest account	...	...	...	...	6,781	9 2
Commission account	...	...	...	...	1,030	0 11
					£14,832	10 4

## MERCANTILE SUSPENSIONS.

THERE have been no recent failures of importance, and business in the general departments of trade continues quiet. The advices from the Cape of Good Hope state that the failure of the branch establishment there of Messrs. Home, Eager, and Co., had created a want of confidence, and that several other houses of minor standing had been brought to the ground. The only suspension that requires being recorded under this head is the house of Messrs. Hinde and Co., of Birmingham, in the iron trade, whose liabilities amount to £33,000. The creditors have under consideration an offer of 12s. 6d. in the pound.

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## Communications.

*To the Editor of the Bankers' Magazine.*

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## SALARIES OF GENERAL MANAGERS.

SIR,—I wish you, or some of your correspondents, would give me information in regard to the amount of salaries of general managers of joint-stock banking companies; and name, if possible, the *maximum* and *minimum* allowances, or thereabouts.

13th July, 1855.

Yours truly,  
A. B. C.

[The salaries of these functionaries range from £2,500 to £1,000 a-year, and these sums may be regarded as the *maximum* and the *minimum* allowances.]

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## GUINEAS.

SIR,—Will you have the kindness to inform me, through the medium of your journal, if a banker is justified in refusing to allow 21s. for a guinea that is overweight one drachm?

Devizes, July 9th, 1855.

I remain, yours respectfully,  
EDWARD KING.

[We believe guineas are no longer legal coin, and therefore the banker can refuse them, except on his own terms.]

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## BANKS OF ISSUE—PURCHASE OF THE BUSINESS.

SIR,—A, B, and C, and D, E, and F, carry on business as private bankers in the same place, and both are banks of issue.

Would you kindly inform me whether, in the event of the one party disposing of their business to the other, the purchasers are allowed by the Bank Charter Act to unite the authorised circulations of the two banks? The act allows it in the union of private banks, but would this be a union of banks, although it is not a union of firms?

10th July, 1855.

I am, sir, your obedient servant,  
G. L. V. D. N.

[We think this is a union of banks.]

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## RETURN OF CHEQUE PRESENTED TO A BANKER BY POST.

SIR,—The large amount of the transactions of this nature, makes the recent question of a correspondent on this subject very important, and its importance is increased by the doubt you express, as to the obligation of the banker to honour or return such cheques immediately.

It is probable you are right in believing there is no decision in point; but I think there was a case, a few years ago, which perhaps, by inference, may be considered to govern the present question. A person paid in at his banker's, for account, various cheques, and amongst them one on the banker himself, which was subsequently dishonoured, and the question arose, what time the banker had, in law, for honouring or refusing the cheque.

To the best of my recollection, it was held that the banker was only allowed reasonable time to examine the state of the account on which the cheque was drawn; and it appears to me the same argument would apply to a cheque sent in by post, whether by a customer of the banker or by another banker collecting the same for his own customer.

The universal practice of bankers in these transactions should also go far to establish an implied contract to honour or return the cheque the same day; but, if it does not, would a special request to that effect, in the letter, accomplish the object? At present, such letters only contain a request to pay. Your further opinions on the point will oblige,

Sir, your obedient servant,

June, 1855.

A COUNTRY BANKER.

[The case to which our correspondent refers is that of *Boyd v. Emerson*, which he will find fully stated in *Shaw on Cheques*, page 145. It does not touch a presentment by post, and is against our correspondent's views in other respects. We really have little or no doubt on the matter. There must be a contract, express or implied, to entitle any party to require a banker to write and post a letter. We do not think a request, unless acted on in other cases, is of any importance.]

## BANK OF ENGLAND.—EVIDENCE OF DEATH.

SIR,—An answer to the following question will oblige —

What evidence does the Bank of England require before they record upon their books the death of a stockholder in a joint account, who is merely known to have gone abroad many years ago, without having since been heard of, after diligent inquiries; and what is the Bank standard of due diligence in such cases?

Your obedient servant,

AN OLD BANKER.

[We apprehend that the Bank of England would refer a case of this kind to their solicitor, who would require the same proof that courts of justice usually require under similar circumstances. The rules on this subject are thus stated in *Roscoe on Evidence* :—

"As to persons of whom no account can be given, the presumption of the duration of life ends at the expiration of seven years when they were last known to be living. Proof by one of a family, that many years before a younger brother of the person last seised had gone abroad, and that the repute of the family was that he had died there, and that the witness had never heard in the family of his having been married, is presumptive evidence of his death without issue. The fact of the party being alive at any particular period, within or at the end of the seven years, must be proved by the party asserting that fact."

## DRAFT IN FULL OF ALL DEMANDS.

SIR,—In reference to "A Country Banker's" question on this subject, in your July number, I beg to mention that, when the recent alteration in receipt stamps took place, I inquired at the Stamp Office, whether receipts "in full of all demands" would be legal when merely on a penny stamp, or whether the law still existed whereby such receipts were required to be given on a 12s. stamp? The reply was, that there were now no other receipt stamps recognised than those of the value of one penny. It therefore follows that "a receipt in full of all demands" may be given on a penny receipt stamp.

Your obedient servant,

OLD STAGER,

Northumberland, 19th July.

## STAMPS ON BANKERS' DRAFTS.

SIR,—I would be glad to be informed by "A Country Banker" whence he derives his authority for inferring that a banker's license is requisite, to empower a bank of non-issue to draw drafts at twenty-one days' date, upon its London agents. I am not aware that any but banks of issue require to take out licenses. The phrase "banks of issue," I understand to mean those who issue and circulate their own notes.

Your obedient servant,

OLD STAGER.

## Notes of the Month.

PROVIDENT CLERKS' ASSOCIATION.—An election of six annuitants, one being a clerk, and five widows of clerks, on the benevolent fund of the above association, recently took place at the offices in Moorgate-street. The annuities allotted on this occasion amounted to £110, making a total of nearly £900 per annum which has been allotted to unfortunate and deserving applicants since the commencement of this excellent institution in 1840. The amount of good effected has been such as to surprise even the most sanguine promoters of the Provident Clerks' Association, the delicacy with which the elections are conducted, the initials of each applicant alone being published, forming a feature worthy of imitation in other institutions. The benevolent and assurance departments, though perfectly distinct, have nevertheless acted upon each other to their mutual advantage, and the latter has now, as we learn by the last published report, an income of more than £20,000 per annum, while the claims paid exceed £30,000, and the assurances effected £900,000. This is well, we admit; but while there remain any among the large body of clerks who have not yet joined an institution which has such strong claims to their support, there is still something to be effected. The noble example of the City firms, by whom some £10,000 was subscribed as a foundation, deserves all praise, and the energetic and judicious conduct of the management has also largely contributed to the present gratifying result. It is stated that some eminent firms and public bodies have lately adopted the system of paying a part of their clerks' assurance—among the latter we may instance the East and West India Dock Company, and her Majesty's Post-office. It is needless to point out the advantages to both parties of this judicious kindness; it not only gives encouragement to frugality, but affords a very strong inducement to steadiness of conduct, and relieves the employer from that moral claim which a widow and orphan so frequently, and, alas, in some cases so fruitlessly plead. The candidates at the recent election were twelve, of whom six were elected, the fortunate parties being known by the following initials :—J. G. a

clerk, to an annuity of £20; A. N. D., a widow, £20; S. R. ditto, £15; E. F. A., ditto, £15; A. K., ditto, £15; S. B. H., ditto, £15.

**PRESENTATION OF PLATE TO MR. EDWARD KING, LATE MANAGER OF THE NORTH WILTS BANK, DEVIZES.**—A short time since, ill-health and other circumstances induced Mr. King to retire, after seven years' service, from the management of the Devizes Branch of the North Wilts Bank. This event led to a wish on the part of many persons who kept accounts at the establishment to present him with some suitable testimonial to mark their appreciation of his conduct towards them in discharging the duties of his office. For this purpose, a committee was formed, and about £120 collected, with which they purchased a very handsome silver tea and coffee service, cake basket, and a large and elegant salver, bearing this inscription:—"This salver, together with a silver tea and coffee service, was presented to Mr. Edward King by the constituents of the North Wilts Bank, Devizes, and other friends, as a mark of respect for his uniform courtesy and kindness during the period of seven years that he was manager of that bank. May, 1855." On the day appointed for the presentation, the dining room of the Elm Tree Inn was crowded by a respectable company, to witness the proceedings. Mr. Burt having been called to the chair, rose, and after stating the object of the meeting, proceeded to pay Mr. King many compliments as a bank manager and neighbour, and concluded by presenting him with the testimonial, calling upon the company to drink their worthy guest's health in a bumper. The toast, after having been received with three-times-three, Mr. King responded to by thanking the chairman for the kind way in which he had been pleased to speak of him, and assuring his friends of the gratification he felt upon seeing such a handsome testimonial before him. He could not, however, help viewing it without some degree of pain, as it betokened a parting, and, after seven years of uninterrupted and pleasant intercourse, it was not his wish to form new acquaintances. The chairman having kindly alluded to the fact of the directors of the branch subscribing, and four of the clerks, three of whom had left the

**AUSTRALIAN INVESTMENTS.**—That Australia has proved a source of profitable investment—where that investment has been properly directed—there can be no doubt, and as little that it is yet rich in undeveloped resources, which time and capital can alone bring into action. In order in some measure to effect this, a new joint-stock company has been incorporated, under the title of the Australian General Investment Association. The new company proposes to employ its resources in cattle and sheep breeding, the production of wool, the purchase and sale of lands, and other beneficial investments, mining excepted. Amongst the most prominent of these, will probably be the encouragement of railways, and the acting as consignees and general agents between the mother country and the colonists. Facilities are also to be afforded, under fixed arrangements, for the introduction of emigrant labour into the colony in a manner to be alike mutually beneficial to the association and the emigrants. Such objects properly carried out, and steadily watched, there can be no doubt will give fair profits to the speculators, it being well known that it has been through the purchase of lands and the sheep-runs, and not through the greed for gold, that the largest fortunes in Australia have been made. Of the company we know little beyond this, that it comes before the public bearing upon it the brand of a highly respectable director. The capital at present proposed to be raised is £50,000, an amount which we should pronounce to be altogether inadequate for the proposed objects, did we not see that power has been taken to increase it to £500,000, so soon as the arrangements of the company justify it, and profitable investments can be found. Indeed, rumour states that the directors are already in treaty for a property valued at from £90,000 to £100,000, on which the present proprietor has realised a large fortune, which he is about to return to his native country to enjoy; whilst, at the same time, he will probably show his appreciation of the value of the company, by taking a large portion of the purchase-money in shares.

### BANK MOVEMENTS.

The branch of the Bank of England at the West-end will be managed by Mr. C. Tindal (brother of the late Chief Justice Tindal), who has for many years superintended the branch of the Bank of England at Birmingham.

The directors of the London and County Bank are about to open branches in Oxford-street and the Borough of Southwark, as soon as the necessary arrangements shall have been completed.

A charter, with favourable conditions, is stated to have been obtained for the proposed Bank of Egypt. The capital of the undertaking is to be £250,000, in shares of £25, with power of increase to £1,000,000. Its object is, under the sanction of the Viceroy, to promote the development of the resources of the country, and to increase its commercial intercourse with England. M. Pasquale, an Egyptian merchant, who has been for some time in business in London, is to be the local director, and Mr. J. A. L. Barnard will be the general manager.

The clerks of the London Joint-Stock Bank have presented a testimonial of plate to Mr. J. A. White, who has lately resigned the office of chief accountant in that establishment, to take the management of the City Bank.

The Bank of London and the City Bank, having each obtained their charters of incorporation, will commence business at their temporary offices next month.

The banking premises of Messrs. Strahan, Paul, and Bates, consisting of two freehold houses, Nos. 217 and 218, Strand, have been purchased by the directors of the London and Westminster Bank for £20,000.

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### Reviews.

*Theory and Practice of Banking.* Vol. I. By H. D. Macleod, Esq. Longman and Co., Paternoster-row.

The author has undertaken a difficult task, but he has commenced well, and will, no doubt, accomplish his object. In his Introduction to the present volume, he states that the work is an attempt to explain, in as clear and simple language as possible, the elementary principles of currency and banking, their progressive development in practice, and the laws at present affecting them. He treats at great length of the terms used in monetary science, of the theory of prices, the rise and progress of banking, interest and discount, &c., in an easy and agreeable manner; and, although evidently indoctrinated with theoretical opinions, he has deeply studied the subject on which he treats. When completed, the work will prove a valuable addition to every banker's and merchant's library.

*Tables for the Calculation of Income Tax, at 1s. 4d. in the Pound.* By J. Gritton, of the Bank of England. Effingham Wilson, Royal Exchange.

A series of very useful tables, constructed on a principle which greatly facilitates the ordinary mode of reference, and published at a price which places them within the reach of all who may have occasion to require them. It is needless to remark that every banking establishment, being interested in the payment and receipt of dividends on Government securities, the labour of managers and clerks will be considerably lightened by consulting this authority.

## MONTHLY CHRONOLOGY.

June 30.—Intelligence received by Government of the death of Field Marshal Lord Raglan, which took place on the 28th.

July 2.—Opening of the French Legislative Assembly; an announcement by the Emperor of the necessity for a new loan of £30,000,000.

9.—Announcement of a new loan of £5,000,000 for Turkey, under the joint guarantee of England and France.

12.—Lord Monteaigle, Lord Overstone, and Mr. Hubbard, appointed by Government to investigate and report upon the subject of a decimal currency.

15.—Resignation of Lord John Russell as Secretary for the Colonies.

17.—Messrs. Hinde and Co., of Birmingham, announced to have suspended payment. Their liabilities stated to be £33,000. An offer made of 12s. 6d. in the pound by instalments.

18.—The East India Company give notice of their intention to lower the rate of interest on Indian Bonds from 4 per cent. to  $3\frac{1}{2}$  per cent. from the 21st July, 1856.

Sir William Molesworth appointed Colonial Secretary, in the place of Lord John Russell.

19.—Messrs. Overend, Gurney, and Co. reduce their rate of discount from  $2\frac{1}{2}$  to 2½ per cent.

*Monetary Intelligence.*REVIEW OF THE MONEY MARKET FOR THE MONTH OF  
JULY, 1855.

THE general financial and commercial events of the month just concluded have not presented features of interest. We have, however, become acquainted with the terms upon which the French loan is to be negotiated, and the nature of the guarantee under which Turkey seeks for the monetary aid. Both these operations may be regarded as completed, the subscriptions for the one having more than quadrupled the amount required, while the joint security offered in the case of the other will render the transaction the most facile imaginable. The progress of the war, and the future course of political affairs, will influence the general current of business, which continues depressed, and no revival can be anticipated until intelligence shall have been received of the success of the attack against Sebastopol. For the moment, the state of the harvest, influenced by the weather, will exercise some effect, and various opinions are already expressed with regard to the probable result of the crops. The abundance of money, which has not at present sensibly diminished, is likely to experience a decrease, the payments on the loans and shipments to the Continent having already reduced the metallic reserves of the Bank; but as the arrivals of specie from Australia and America continue large, the drain may be partially arrested. The rate for accommodation in Lombard-street is 3 to  $3\frac{1}{2}$  per cent., and the bill brokers will not allow more than  $2\frac{1}{2}$  per cent. for deposits. Should the harvest turn out unfavourable, this, with the ordinary requirements for the loans, will create a further demand, and raise the pretensions of the discount houses. As the East India Company have given notice of their intention to make a reduction in the terms allowed on India bonds, it does not appear that the directors apprehend any lengthened pressure. The interest on and after the 21st of July, 1856, is to be £3 10s. instead of £4 per cent. per annum.

No great variation has occurred in the price of Consols. The fluctuation is under one per cent., and the operations have been far from extensive. The

usual comparison will be found in the table prices. Exchequer bills have been steady, and India bonds continue well supported.

The material alterations in Foreign stocks, have been the rapid advance in Turkish and Peruvian, each of which present changes equal to  $11\frac{1}{2}$  or 13 per cent. Turkish from  $81\frac{1}{2}$  improved to 93, but has since gone back through sales for realisation, to 90. The range in Peruvian  $4\frac{1}{2}$  per cents. has been from  $68\frac{1}{2}$  to  $81\frac{1}{2}$ , and the quotation is now 80. The purchases of Turkish were produced by the facts which have transpired respecting the guarantee of England and France. In the case of Peruvian, an increase of the sinking fund on the actives to 5 per cent., and on the deferred to 3 per cent., is the cause of the alteration.

Railway shares have gradually drooped, through sales. The operators have exhibited an increased disposition to get out of stock—the reports connected with dividends not being of the most agreeable description. From £2 to £3 per share in the leading cases, is the extent of the decline, and no favourable re-action has at present ensued. The next month will show the result of several of the principal meetings.

The produce markets have been more active the last fortnight. The comparative easiness of money, and the spirit of the dealers, have produced general animation. A fresh speculation has arisen in saltpetre.

The following are the fluctuations in the English and Foreign Stocks, and Railway Shares, during the month just concluded:—

	Price on June 29.	Highest.	Lowest.	Price on July 27.
<b>ENGLISH FUNDS.</b>				
Consols ... ..	$90\frac{1}{2}$ to $91\frac{1}{2}$ ex. div.	$91\frac{1}{2}$ ex. d.	$90\frac{1}{2}$	$90\frac{1}{2}$
Exchequer bills' average ... ..	20s. to 25s. pm.	27s. pm.	19s. pm.	22s. pm.
<b>FOREIGN STOCKS.</b>				
Brazilian ... ..	$100\frac{1}{2}$	$101\frac{1}{2}$	100	100
Buenos Ayres ... ..	$56\frac{1}{2}$	$58\frac{1}{2}$	$55\frac{1}{2}$	57
Chilian ... ..	—	105	$102\frac{1}{2}$	101
Dutch, $2\frac{1}{2}$ per cent. ... ..	$64\frac{1}{2}$	$64\frac{1}{2}$ ex. d.	63 ex. d.	$64\frac{1}{2}$
Mexican ... ..	$21\frac{1}{2}$	$22\frac{1}{2}$	$21\frac{1}{2}$	$21\frac{1}{2}$
Peruvian, $4\frac{1}{2}$ per cent. ... ..	$68\frac{1}{2}$	$81\frac{1}{2}$	$68\frac{1}{2}$	$80\frac{1}{2}$
Portuguese, 4 per cent. ... ..	$44\frac{1}{2}$	$44\frac{1}{2}$	43	$44\frac{1}{2}$
Russian ... ..	—	$100\frac{1}{2}$	99	$101\frac{1}{2}$
Spanish ... ..	—	$38\frac{1}{2}$	36	$37\frac{1}{2}$
<b>RAILWAY SHARES.</b>				
Brighton ... ..	$100\frac{1}{2}$	102	100	101
Caledonian ... ..	$62\frac{1}{2}$	$63\frac{1}{2}$	$62\frac{1}{2}$	63
Eastern Counties ... ..	$12\frac{1}{2}$	$12\frac{1}{2}$	$11\frac{1}{2}$	$11\frac{1}{2}$
Great Northern ... ..	$92\frac{1}{2}$	$93\frac{1}{2}$	$89\frac{1}{2}$	$89\frac{1}{2}$
Great Western ... ..	$67\frac{1}{2}$	$67\frac{1}{2}$	$65\frac{1}{2}$	$65\frac{1}{2}$
Lancashire and Yorkshire... ..	$81\frac{1}{2}$	82	$80\frac{1}{2}$	81
London and North Western	$101\frac{1}{2}$	102	$97\frac{1}{2}$	$98\frac{1}{2}$
Midland ... ..	$73\frac{1}{2}$	$74\frac{1}{2}$	$70\frac{1}{2}$	$70\frac{1}{2}$
North Staffordshire ... ..	$12\frac{1}{2}$	$12\frac{1}{2}$	$11\frac{1}{2}$	$11\frac{1}{2}$
South Eastern ... ..	$61\frac{1}{2}$	$62\frac{1}{2}$	$60\frac{1}{2}$	$61\frac{1}{2}$
South Western ... ..	$83\frac{1}{2}$	87	83	$86\frac{1}{2}$
York, Newcastle, and Berwick	$74\frac{1}{2}$	$74\frac{1}{2}$	73	$73\frac{1}{2}$
York and North Midland ... ..	$50\frac{1}{2}$	51	49	$49\frac{1}{2}$
East Indian... ..	—	26	25 ex. int.	$24\frac{1}{2}$
Northern of France ... ..	$36\frac{1}{2}$	37	$36\frac{1}{2}$	$35\frac{1}{2}$

## THE STATE OF TRADE.

THE accounts from the manufacturing districts speak of greater confidence in business; but a favourable re-action is not immediately expected. Failures are, however, less frequent, and the state of credit has latterly improved. An alteration for the better in the Australian and American branches would soon operate beneficially in most quarters.

## THE GRAIN TRADE.

THE quotations of wheat have been well supported, and at the latest moment there is a tendency to advance. The accounts of the crops from most of the provinces, are favourable; but, under the best circumstances, no great depreciation is immediately looked for. Letters from America allude to the probability of quotations being maintained in that direction. The supplies from all quarters continue only moderate.

The *Gazette* returns for England and Wales have been:—

THE CUSTOMS REVENUE FOR ENGLAND AND WALES FOR 1855.													
Week ended 1855.	Wheat Qrs. sold.	Weekly Average.			Six Weeks' Average.			Duty.	Corresponding Six Weeks Last Year.				
		£.	s.	d.	£.	s.	d.		£.	s.	d.		
June 23.....	68,925	...	76	7	...	77	0	...	1	0	...	78	8
" 30.....	84,791	...	75	11	...	76	11	...	1	0	...	78	7
July 7.....	88,195	...	76	1	...	76	10	...	1	0	...	78	2
" 14.....	85,365	...	75	11	...	76	6	...	1	0	...	77	3
" 21.....	95,103	...	76	4	...	76	4	...	1	0	...	78	1

The importations since the harvest of 1854 have been:—

	Wheat. Qrs.	Other Grain. Qrs.	Total. Qrs.
Forty-seven weeks ended 13th June .....	1,626,986	2,027,506	3,654,486
Five weeks ended 18th July .....	340,056	372,775	712,831
	1,967,042	2,400,275	4,367,317

And the weekly averages have been:—

Forty-seven weeks ended 13th June .....	34,000	43,000	77,000
Five weeks ended 18th July .....	68,000	74,000	142,000
More	34,000	31,000	65,000

## NOTICES TO CORRESPONDENTS.

A pressure of matter compels the omission of two or three articles; among them, "The Commerce and Finance of Australia, No. 2." and "The Renewal of the Bank Charter Act." Correspondents will please remember that all communications unless they involve important questions should be forwarded by the 20th of the month.

Reports of the proceedings of the Union Bank of Australia, and of the Melbourne, Sydney, and Adelaide Chartered Banks are deferred. The dividend of the Union Bank is at the rate of 80 per cent. per annum, and the accounts show that affairs are in a very satisfactory position. It remains to be decided whether the Melbourne, Sydney, and Adelaide Chartered Bank shall be wound up—continued adverse events having interfered with the progress of the original scheme.

T. N. P. (DEBRY)—We cannot say that the practice is customary. It is done in many cases.

A SUFFERER.—The party alluded to may be responsible, but it is not quite clear that proceedings would meet with the anticipated success.

# THE BANKERS' MAGAZINE;

AND

Journal of the Money Market.

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SEPTEMBER, 1855.

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## THE STATE OF INDIAN FINANCE.

WHEN the act for the better government of India passed in 1853, the public were led to believe that thenceforward there would be annually laid before Parliament, by the President of the India Board, a full exposition of the finances of our Indian empire. In each of the two years which have succeeded, it is true, we have had what purported to be a financial statement presented to the House of Commons, but if we had been told, when the necessity for such a periodical recital was urged and conceded, that it would have been rendered for all practical purposes nugatory, by the accounts being made up to a period far antecedent to the current time, Parliament would undoubtedly have taken effective means for guarding against this mode of "keeping the promise to the ear, and breaking it to the hope." In the first year after the passing of the act, there might have been a very great, perhaps insurmountable, difficulty in bringing together all the details of revenue and expenditure from the several presidencies, and especially from the outlying provinces, in time to make up the general account in each year, and forward it to London, before the close of the parliamentary session. But, with the very ample staff the East India Company possess of official civil servants, and with the improved means of communication which now exist—some of the most important of which, though far from finished, have yet so far progressed during the two past years as to make them practically available—to suppose that arrangements for that purpose could not have been devised and brought into operation by this time, is too great a stretch of indulgence for even the habitual dilatoriness of Leadenhall-street and Cannon-row to count upon. It was almost an insult, therefore, upon the common



sense of the British public, for Mr. Vernon Smith to come down to Parliament on Tuesday, the 7th August, 1855, just one week before the Prorogation, when forty members could scarcely be got together to place the Speaker in the chair, and, in a prolix speech of three hours' duration, lay before the House of Commons a statement of the financial results of the year 1852-53, with an *estimate* merely of the income and expenditure for the year 1854-55.

Mr. Smith's attempted explanation of the delay was quite as unsatisfactory as the delay itself. He tells us that the exposition of Indian finance made to Parliament is not a Budget, in the ordinary sense of the term, but merely a statement of the finances of past years; and that it must continue to be so, unless the Legislature is prepared to rescind the whole constitution of India, to assume the direction of affairs now left to the hands of the Court of Directors and the Board of Control. Whether the Court of Directors will thank the President of the Indian Board for this authoritative declaration, remains to be seen; but a more conclusive argument against what is called "the double Government," could scarcely have been advanced. What practical end can be gained by a discussion in August, 1855, of the state of the Indian finance as it existed three years ago, and of an estimate of what can be no longer matter of estimate, but of certain and ascertained results, in reference to the finances of the year ending April last, it is difficult to imagine. This seemed to be the feeling of the House of Commons; for, despite the growing importance of India, and the increased interest it commands amongst politicians of all parties, scarcely twenty members were present at any time during the whole of Mr. Vernon Smith's speech, or the debate which followed upon it. Why the comparison of the estimated results of last year was made with the actual results of 1852-53, instead of with those of 1853-54, was not stated. It could not have been for the purpose of presenting the accounts in a more favourable light, for we find the issue to be a decrease of revenue, on the one hand, to the extent of a quarter of a million, and, upon the other, an enhanced expenditure of upwards of 2½ millions. In 1852-53, there was a surplus of revenue over expenditure of £424,457, while for 1854-55, there has been an excess of expenditure over income, as estimated, of £2,670,518; the deterioration in the financial condition of India being in the latter, as compared with the former year, £3,094,770. In all the main ordinary sources of revenue, except the salt tax, there is a falling off. In the land revenue, of £278,807; in the customs, of £76,478; in the opium revenue, of £443,540; in the tobacco duty, which was abolished in 1853, and is conse-

quently a permanent loss to the full amount, £59,215, and in the receipts from the post-office of £12,171. The other sources of income which have deteriorated, and the deficiency of which go to make up the aggregate of loss, are—Mint, £63,778; sale of presents, £10,824; proceeds of estates, £11,261, and gain by exchanges, £91,625. The items upon which the President of the Board of Control estimates an increase in the receipts for the past year are—the salt tax, £145,727; stamps, £18,955; marine and pilotage, £14,453; judicial fees and fines, £14,570; revenue of Straits settlements, £9,142; revenue of Coorg, £484; revenue of Nagpore, £381,413; revenue of Pegu, &c., £216,759; interest on arrears, £14,998; miscellaneous, £8,608; proceeds of assets of late Government of the Punjaub, £1,333. In the expenditure, the items of estimated increase are, First—payments in realisation of revenue; viz., charges of collection, £438,518; allowance out of revenue by treaty, £24,838; sinking fund, Tanjore, £768; allowance to village officers, amandars, &c., £19,682; charges of collection, Nangpore, £206,098; charges of collection, Pegu, &c., £203,738; payments to claimants on Registrar-General, £7,031. Second—charges in India; viz., civil and political, £89,027; judicial and police, £39,469; public works, buildings, &c., £969,024; military, £918,986; marine, Indian navy, &c., £50,646; charges of Straits settlements, £3,972. Third—charges in England; viz., dividends on East India Stock, £36,088; steam communication with India, £51,917; transport of troops and stores, £51,699; furlough and retired military pay, £62,418; ditto marine ditto, £3,893; Her Majesty's troops in India, £46,203; charges, general (home establishment, &c.), £45,457; absentee allowance to civil servants, £6,823; arms to Her Majesty's troops going to India, £6,240; invoice of stores, £87,334. And a diminution in the payments, incurred in realising the revenue, is anticipated in the Mint charges, of £5,217; in the interest on debt, £412,282; in the dividends on East India Stock, of £5,736; payments to Her Majesty's Government, on account of extended steam communication, £35,000; retiring pensions, &c., of Her Majesty's troops, £15,000; annuities of Madras Civil Service Fund, £3,101; retiring pay, St. Helena establishment, £1,355; establishment in China, £15,558, and transportation of convicts, £5,401.

In this account, the falling off in the revenue, although affecting the result in a less important degree than the increase in the expenditure, is not altogether without significance. A deficiency of £278,000 in the land revenue is a large amount, and, could it be looked upon as the commencement of a continuous decline, might be regarded with well-founded alarm. That the deficiency under this head will endure for some few

years to come, may be anticipated, from the cause which we may presume has produced it, viz., the reduction in the rate of charge; but there is every reason for believing that such diminished rate will, by bringing large tracts of waste land under cultivation, extend the revenue-producing area, and, in the end, considerably augment the gross receipts. This, therefore, may be taken as a present and temporary loss, incurred for the sake of a future and permanent gain. With regard to the other great item of deficiency, the prospect of a favourable turn is far more distant and uncertain. The Minister for India tells us, that when the civil war in China (the great opium market) is at an end, we may expect that the revenue from this source will rise to its old level; but, as far as the reports we receive by each succeeding mail from the East afford materials for an opinion, the settlement of the great question, whether the Brother of the Sun and Moon is to be hereafter selected from the Chinese or the Tartar race, and the return of tranquillity to the celestial empire, are events which very few, if any, of the present generation will live to see. The formidable deficiency, therefore, of nearly half a million a year in the opium receipts, must be made up from other sources, or remain a hiatus in the annual account. The most favourable item in the estimate of ordinary revenue for 1854-55 is the salt tax, upon which Mr. Vernon Smith takes credit for an increase of £145,727. But, seeing that every extra pound brought into the revenue from this source represents so much more of hardship and oppression, exercised upon a people to whom salt is an article of primary necessity, this augmentation is certainly not a subject for unmixed congratulation. It might, and undoubtedly would, be extremely difficult to find a substitute, at present, for a tax so universal in its application, and consequently so productive; and, at a time when the adverse balance between the revenue and the expenditure is counted by millions, any proposal for abrogating it could not even be entertained. On the other hand, for the imperial legislature, which has adopted the principle of no taxes upon food as its policy, to give even a negative assent to an impost upon salt, in a country where salt is indispensable as an article of every day consumption, exhibits an inconsistency which, for the sake of the national character, it will be well to clear away at the earliest practicable moment. The comparatively small decrease of £76,473 in the customs, Mr. V. Smith seems to consider implies a failing of the principle of protection in India, and, as a free-trader, he naturally enough congratulates himself thereupon, while he deploras the absence of some "protecting" tax, as he somewhat unfortunately terms it, which might form the basis of a substitute for

indirect taxation. What object Mr. Smith could have in touching upon the question of protection *versus* free-trade, as applicable to India, beyond the desire to round off a period, it is difficult to guess. Some day, perhaps, it may be possible to establish free-trade in British India; but, in territories so extensive, with a population so varied in race and in habit, any attempt to introduce direct taxation as the general rule would inevitably result in the most complete and signal failure.

The other sources of income in which there is any considerable estimated increase, may be said to be of an extraordinary nature, as the receipts from the newly annexed provinces of Nangpore and Pegu. But against these we have to set the charge for collection, in the Nangpore case, of £206,098, upon a receipt of £381,413, and in the Pegu case, of £203,738, upon a receipt of £216,759. In addition to this, we find, under the head of increase of expenditure, a charge for collection of £438,518, which is left altogether unexplained, and without some explanation, so large an additional charge for collecting a reduced amount of revenue is wholly unaccountable. The remaining two main items of enlarged expenditure, viz., the £969,000 for public works, and the £918,000 for military charges, are more intelligible. The policy of maintaining the military establishment of India at its full complement, and even beyond it, under existing circumstances cannot be gainsayed. In this direction, therefore, any increase of charge incurred by the Indian Government is entitled to approbation. The expenditure for public works and internal improvements is, if possible, of still greater consequence. Every additional million spent in the construction of roads and railways, in canals and works of irrigation, will be hailed by all who have the interests of India at heart with unmingled satisfaction, since to these improvements alone can we look for the development of those gigantic innate resources which everybody knows that country possesses, for the permanent re-establishment of her financial independence, and for her continuance as a part of the British empire.

Upon the whole, the statement of Indian finance made to Parliament by the President of the Board of Control, is vague and unsatisfactory in the extreme. In the account for 1852-53, which is made the standard of comparison, we have no particulars beyond the net revenue and the gross charges for each presidency; while in the estimate for the year which is compared with it, we have neither gross nor net totals of any one item, or even of the whole together, but merely what the compilers of the account have chosen to put down as their idea of the increase or decrease upon each source of income and expenditure. What the data may be upon which such increase or decrease is

calculated, we are not informed, while the assumption of accuracy—descending even to units, in the estimated receipts from particular items of taxation—is almost amusing. Of the reduction of the cash balances in the Indian Exchequer, from £16,800,000 in July, 1853, to £7,800,000 in April, 1855, or of the conduct of the Indian Government, in availing themselves of the credit of those large balances to effect a conversion of twenty-four millions of their 5 per cent. stock, when the greater portion of the money was already absorbed, and of issuing another 5 per cent. loan when ten millions of those balances had been withdrawn, and the fictitious prestige of a high state of solvency had ceased to exist, we have no explanation. The chief object of those who prepared the statement would seem to have been to confuse and conceal; and, although there cannot be said to be any falsification of figures, there is certainly not in the account, as presented to the House of Commons, that full exposition of the financial affairs of India which Parliament and the country were promised and expected.

## THE COMMERCE AND FINANCE OF AUSTRALIA.

### No. II.

ALTHOUGH it is but reasonable to hope that commercial communities profit by the experience, so often bought at great sacrifice both of money and credit, it serves many useful purposes, to trace the revulsions of trade, the causes from which they have originated, the extent to which they have been carried, and the ultimate consequences to which they may lead. There is generally a singular uniformity in such crises, and they have an almost unvarying recurrence. Produced by times of ease and inaction, when heavy obligations are running off, and capital is accumulating ready for another period of excitement and speculation, trade no sooner revives, than it is pushed to its extreme limits; new markets are opened, and "merchants" spring up like mushrooms. All is buoyant and profitable; goods are absorbed, and orders renewed; those who began upon a small scale enlarge their notions, and, having tried their wing, imagine the highest flights are as easy of ascent as their small beginnings. Credit is thus extended, and confidence increased. The general rush of business is, of course, all in one direction, and as the sweets are soon exhausted where bees most congregate, so the pleasures of many a trader are soon abridged, markets are not found suitable to every consignment, nor do profits and returns come at the mere bidding of the shipper.

The great error of the mercantile interests was in supposing that, because Australia had become wealthy, shipments of goods could be continued without limit. The extent of population and their powers of consumption were entirely overlooked; and it was absurdly con-

tended that mere wealth would convert Australia into one vast emporium for goods, where the means of absorption would exceed the supply, and the demand be adequate to produce a profit to the consignor under all circumstances. Could a greater folly be committed? Is it not clear that, whatever the wealth, only a certain proportion of a man's means are expended in the necessities—the food and raiment—of life? Luxuries may be in request, and a larger proportion of the comforts and elegances of life may be bought; but a population not exceeding a million, as was the case in 1854, found that imports of nearly £17,000,000 were far beyond their requirements, and that waste and loss must be the consequence. Many causes, however, operated to sustain business. Some of the regular merchants had early withdrawn their speculations, although others, not possessing much prudence, renewed theirs, greatly to their loss and the prejudice of character. It was the class of shippers, led on by designing agents or fabulous price currents, who for the most part continued consignments, until they found themselves irretrievably injured, or entirely at the mercy of those at the other end of the world, who had to live upon the capital of their clients, and to whom the heavy charges they imposed upon goods entrusted to them represented their only income, or compensated them for diminished commissions from a falling market. There were others, who should have had more wisdom, stimulated by the most intense cupidity, and constantly believing that they should be foremost in the new race they were always imagining had begun, when markets would be relieved of old stocks, and fresh importations be again in demand. It need not be stated, they were caught in their own net—that they were beaten only by themselves, in the race they started upon—and that such wild and reckless trading had its reward. The result of experience in all shipping operations shows that spurious trading may occasionally be successful, just as stock-exchange gambling may now and then—but at rare intervals—help to create a fortune; but it is only the trader who pursues his steady, legitimate operations—knows the markets for both buying and selling—ascertains the wants and capacities of the places he conducts his enterprises with—when to ship and when not to ship—what others in the trade are about as well as himself—it is only the merchant in this, the highest and best sense (who is a rare man in these modern times), who succeeds in spite of difficulties, and whose prudence, moderation, and ability, carry him safely through seasons of fluctuation and derangement.

It was not merely the excessive imports of goods which brought on that revulsion in Australia from which most interests have in some degree suffered. The land speculations had an equal, perhaps indeed a more potent, influence, considering that the mania was confined to fewer individuals, and was more alluring, on account of the romantic manner in which fortunes were made. A few acres of land which a year or two ago were an arid waste, were found suitable for building purposes, by the erection of a small township, or from the increase of population causing a demand for house accommodation in a city only.

partially occupied. The original cost might have been calculated by shillings; it has changed hands for thousands of pounds. Examples in abundance may be furnished, of this state of things, all of which have occurred within the last three or four years. In Melbourne, it is stated that fortunes, which would have enabled their possessors to sustain for life the dignities of the peerage, were thus acquired by plodding tradesmen in the course of a few months, and before they had time to receive the congratulations of their friends, their riches passed away, and they found themselves reduced to poverty. Building has naturally followed the land speculations. Palaces have been erected where simple shops would have sufficed; costly warehouses, where plain stores would have answered; mansions, in lieu of villa residences; and cottages, instead of temporary but well-built huts. That very expensive passion for building, which at certain periods of some men's lives takes possession of them, seems to have swayed a whole city, and it is narrated by some as no fiction, but rather as an agreeable fact, worthy to be the subject of boast, that Melbourne has been built at England's cost! This has been by the insolvencies caused from extravagant rents, to pay which the merchandise has been sacrificed. Be this only partially true, there are yet some strong confirmatory points of evidence, showing that the land and building speculations in Victoria have had a very prejudicial influence. There is an instance of a man who erected a range of stores, built of blue stone, at a cost of £40,000. They let readily for a time at £1,000 to £1,500 each, so that the fortunate owner reckoned himself worth £15,000 a year. In twelve months from that period, times had changed, speculation was at a stand still, the bubble burst, the proceeds fell below the ground rent, and the owner was utterly ruined. Another fact, with the same moral: two tradesmen engaged a site of land at an annual rent of £750, and erected a store at a cost of £3,000, but in a few months they were bankrupts, and the store will not now let for £300 a year. Again, a linendraper, who had rapidly attained prosperity, built splendid business premises; with the reverses of trade he failed, after having expended £40,000 on mere bricks and mortar, with liabilities of £120,000, although he did not possess a single penny of his own. These are but ordinary incidents, which might if necessary be greatly multiplied, of one of the worst features in most new countries, but which in Victoria have surpassed all expectation. Land jobbing and speculative building have, indeed, been at the root of much commercial embarrassment; and when it is considered how wide-spread this mania has been—how greatly it has been encouraged by bills, which frequently have a currency of two and three years—how often they are renewed—and how they lead, as regularly as they are given, to the ruinous rates of 15, 20, and even 30 per cent. per annum—is it any wonder that bankruptcies have been numerous, that the moral tone of the colony has been lowered, and that many of the failings erroneously supposed to belong exclusively to our Transatlantic brethren, are found on British soil, and—to our shame be it said—mildly, nay almost approvingly, treated?

It is necessary for a complete view of the reverses of trade in Australia, that the statistics of insolvency should be given, although only those of Victoria are available. The absence of those connected with New South Wales and South Australia is not of material consequence, as those colonies have, while subject to glutted markets, been singularly free from financial disorders of any magnitude; in proof of which it may in passing be observed, that the insolvencies in South Australia, in 1852, were 41; in 1853, they were 4; and in 1854 (the most trying to the commercial classes), they were only 15. Taking Victoria, however, as the main artery of Australia, it is evident that its condition cannot be unsound, or in any way disturbed, without the other colonies being sensibly affected in their interests and prospects; for so intimate is their relationship, that they suffer together and prosper together—just as one of our old writers soundly maintained, that where classes are identical they necessarily “wax and wane” together. The insolvencies in Victoria, then, are not without a significance in this sense, and their progress is a matter worthy of special record:—

YEAR.	NO.	LIABILITIES.	ASSETS.	DEFICIENCY.
1850	36	£32,323	£17,154	£15,169
1851	21	16,060	10,703	5,357
1852	8	12,856	4,274	8,582
1853	23	38,430	23,364	15,066
1854 To 10th Nov., only	165	786,338	616,015	170,323

The value of the assets in 1854 must be taken as purely nominal, as they are doubtless only at present known as declared by the insolvents themselves, and cannot be tested until the estates are finally wound-up. The liabilities should also to some extent be viewed in the same manner, as the official assignee states that at least 20 per cent. should be added to the debts, on account of foreign claims. Even with these additions, the statement as regards 1854, fails to convey a perfect knowledge of the disasters of that year, for there were assignments, compositions, private arrangements, and a variety of expedients adopted to keep estates from bankruptcy, and it is asserted upon good authority, that estates owing not less than £400,000, were placed under trust. These are only the colonial statistics, and represent but one side of the question, for there are the failures in England, arising out of overtrading, and fraudulent agents at the Antipodes; the difficulties that have been compromised; the compoundings that have been arranged, for the knowledge of which our Courts would fail to furnish evidence, and to ascertain which, every branch of commerce would have to be consulted, and the private books of traders examined.



### NEGOTIATION OF THE TURKISH FOUR PER CENT. LOAN.

THE negotiation of the Turkish loan has been a subject which, after the protracted debates in Parliament, and the general interest excited by the events in connection with the war, has necessarily attracted more than an ordinary amount of attention. The proposal itself, as far as the sum of money involved is concerned, would not have, in the case of any other Government, created surprise; but the whole of the circumstances attending the operation have been invested with peculiarities which have rendered its progress a question of no mean consideration in financial circles. Identified as the English and French Governments are with the convention through which the proposal has been brought forward, the nature of the security offered seems unquestionable, and, notwithstanding there are those who have endeavoured to raise doubts with respect to the strict observance of the stipulations entailed, it is generally considered that the Ottoman Porte will be enabled to observe them in all their integrity. The desperate onslaught made in the House of Commons upon the principle of the guarantee, threatened at one moment to interfere with the success of the transaction, but, fortunately, Lord Palmerston did not shrink from explaining the responsibility that would accrue from any adverse vote on the measure. No doubt can be entertained that the respective parties who engaged in that debate were perfectly alive to the novel description of contract involved, and, reasonable as it was to object to the singular terms of the money assistance proposed to be afforded to Turkey, it would have been less preferable to have adopted any other suggestion.

The market value of a stock based upon conditions such as those which have been eliminated in the course of the discussion, must mainly depend upon the price at which the parties tendering may fix for a four per cent. bond, secured upon the remainder of the Egyptian tribute and the personal character and resources of the Porte. The joint guarantee of the allies must afford additional security to those who rely upon it as a permanent medium for the employment of capital, but it is not wholly improbable that difficulties may hereafter arise, which, without really jeopardising the interest at stake, may render the investment liable to fluctuations through political prejudice, or apprehended estrangement on the part of the supplemental guaranteees. Such disasters have attended the previous financial transactions entered into on behalf of the Sultan, that it would be imprudent to predict a perfectly satisfactory fulfilment of the engagement.

It has already been seen that a range of quotations, varying between 11 premium and 10 discount, has occurred when the credit of the Government was either unnaturally expanded or depressed, and although, with the contracting guaranteees of England and France, it is not likely that extraordinary oscillations like these will again take place, it is but fair to assume that some variation may follow, should alterations in dynasties or local disagreements intervene to render a deviation possible from the harmonious course of action hitherto preserved. The stock, itself, as constituted by the terms upon which it is proposed to raise the money, presents, all contingencies avoided, a most stable and satis-

factory security; but, in all such operations, not excepting even those associated with our own Treasury, a proportional amount of risk is incurred, which the chances of the market or other circumstances may naturally influence. That the means adopted to recruit the resources of Turkey, for maintaining her position against the aggression of Russia, will prove successful, is the devout desire of every one favourable to the cause of civilisation: but, however strong the feeling may be in this particular, the arrangement of a money transaction, such as the one now contemplated, will induce considerations which may affect the pecuniary interests of the capitalists who take the lead in the negotiation.

The prolongation of the session until Tuesday, the 14th of August, prevented the bill for the Turkish Loan Convention receiving the royal assent until that day, and, with a despatch that was commendable on the part of those representing the Sultan in this metropolis, no time was lost in issuing the preliminary notice for carrying out the operation. In accordance with the usual precedent, a special meeting of the moneyed interest was invited at the Turkish Embassy, on Wednesday, the 15th of August, to receive in due form the notification from M. Musurus respecting the terms on which it is proposed to provide the £5,000,000 sought to be obtained. With a punctuality scarcely to have been anticipated, some fifteen or twenty leading financialists, including Messrs. Rothschild Brothers, Sir J. L. Goldsmidt, Mr. Horsley Palmer, Messrs. Bischoffsheim and Co., and others, were present at the interview, Sir Alexander Spearman and M. Baudin representing the English and French Governments. The Governor and Deputy-Governor of the Bank of England were likewise in attendance, their presence being supposed to lend an additional weight to the proceedings. No useless introductory formality preceded the commencement of business, but the Turkish minister forthwith announced that the following were the terms on which it was proposed to secure the required aid:—

PARTICULARS OF THE PROPOSED LOAN.

1. The loan to be for £5,000,000 sterling.
2. The interest to be at 4 per cent. per annum, payable in equal moieties, half-yearly, on the 1st of February and the 1st of August in every year, until the capital is redeemed; the first payment to become due on the 1st of February, 1856.
3. In addition to the interest of 4 per cent., a sinking fund of 1 per cent. per annum, together with the interest on so much of the loan as shall from time to time be redeemed, will be applied in redemption of the capital.
4. The interest and sinking fund are made a charge on the whole revenues of the Ottoman empire, and specially on the annual amount of the tribute of Egypt which remains over and above the part thereof already appropriated to the loan of £3,000,000, negotiated on the 24th of August, 1854, and, moreover, on the customs of Smyrna and Syria.
5. The due and regular payment of the interest is guaranteed by England and France, under the authority of the acts passed by the legislatures of the two countries.
6. The days of payment and the proportion of the contributions to be paid are as follows:—

On or before the 22nd August	...	...	...	10 per cent.
" 12th September	...	...	...	20 "
" 20th October	...	...	...	20 "
" 23rd November	...	...	...	15 "
" 14th December	...	...	...	15 "
" 1st January, 1856	...	...	...	10 "
" 25th "	...	...	...	10 "

No discount will be allowed for any payment in anticipation.

7. All such payments are to be made to the Bank of England, and scrip receipts will be delivered by the Bank to the subscribers, to be exchanged against certificates, with coupons for the interest, when the whole instalments are paid in full.

8. The interest, as it becomes due, will be paid at the Bank of England.

9. The sinking fund will be applied from year to year, commencing on the 1st August, 1859, either in the purchase of certificates of the loan in the public market, or, at the option of the Ottoman Government, in paying off at par such certificates as shall be drawn by lot in the presence of the chief cashier and chief accountant of the Bank of England, on some one day in the month of May next immediately preceding the 1st of August in each year, and public notice of the numbers of the certificates so drawn will be given in the *London Gazette*, and in some newspapers circulating in London and in Paris.

The interest on the certificates so drawn, together with the capital, will be payable on the 1st of August next following such drawing, after which day all interest on the certificates so drawn will cease altogether.

10. Parties subscribing for such loan must enter into contract with the Ottoman minister for payment of the deposit and of the several instalments.

11. In case of failure of payment of any instalment at the time appointed for that purpose, the deposit and all prior instalments shall be forfeited for the service of the Ottoman Government.

12. The Ottoman Government shall have a right to redeem at par the amount of the certificates then remaining unredeemed at the expiration of twenty years from the 1st of August, 1859.

The Ottoman minister will be prepared to receive tenders, on the foregoing conditions, for the loan, at the Bank of England, where such tenders must be presented, at 11 o'clock precisely, on Monday, the 20th day of August.

London, August 15th, 1855.

There was less discussion after the proposal had been read than is remembered to have taken place on any similar occasion. Indeed, it was the general remark, that the details were so ample that no difficulty could be experienced in appreciating their true sense. The conversation which followed was merely in relation to the acceptance of tenders for the entire amount, it being mentioned that, as in the case of the late English loan of £16,000,000, no proposal for a portion will be received. It was also elicited that every possible expedition will be used in issuing the bonds, to meet the wishes of general subscribers, but it was likewise intimated that a period of three months must almost necessarily elapse before they can be completed, owing to the circumstance of their having to pass through three separate departments for signature. Of course, this precaution is absolutely essential, since the recognised authority of the English, French, and Turkish governments will be required to give a stamp of legality to the transaction. Readily as they may be inclined to regard with favour bonds issued under such circumstances, every precaution is necessary to ensure their free circulation in the money markets of Europe. The absence of a representative of Messrs. Baring and Co. at the interview was not considered remarkable, because they have not latterly competed in loan contracts; but some attribute their quietude in this and the English negotiation to their position as agents for the loans of Russia. Be this as it may, they have taken no active part in the arrangement, and the two principal firms who immediately opened subscriptions were Messrs. Rothschild and Messrs. Palmer and Co. It is a noticeable feature in these new loan arrangements, that the contractors require a deposit in money to

accompany the applications for allotments, which ensures the first payment necessary, and prevents the inconvenience attending the adoption of the old system. In the case of the Turkish, as in that of the French loan, the amount required has been 10 per cent.

The tenders for the loan were taken at the Bank of England on Tuesday morning, the 20th of August, at 11 o'clock precisely, in the presence of M. Musurus, the Ottoman minister, and Sir A. Spearman and M. Baudin, the representatives of the English and French governments. The governor, deputy-governor, and the principal directors were also in attendance, with Mr. J. Freshfield as their solicitor. Among the capitalists present were Baron L. Rothschild, Sir Anthony Rothschild, M. Adolphe Rothschild, of Frankfort, Sir I. L. Goldsmid, Mr. R. Thornton, Mr. E. H. Palmer, Mr. W. H. Mullens, Mr. James Capel, Mr. Laurence, Mr. Cazenove, Mr. B. Cohen, Mr. L. Cohen, Mr. D. Stern, and Mr. Forman.

The Governor of the Bank, in opening the proceedings, intimated that the Turkish minister was ready to receive tenders for the proposed loan, and that he had placed on the table a sealed paper with the *minimum* price to be accepted, in case the tenders should prove below the estimate made. Mr. E. H. Palmer then handed in a tender on behalf of Messrs. Palmer Mackillop, and Co. Sir Anthony Rothschild followed with a tender on behalf of Messrs. N. M. Rothschild and Sons. The Governor of the Bank then inquired if any further tenders were forthcoming?

These being the only two tenders, the Turkish minister proceeded to open them. The first he read was that of Messrs. Rothschild and Sons, as follows:—

"SIR,—We hereby offer for the loan of £5,000,000 sterling, to be issued in 4 per cent. bonds by the Imperial Ottoman Government, in conformity with the terms in the notice published by your Excellency on the 15th inst., at the rate of 102½ per cent.—say, £102 12s. 6d. for every £100 stock.

We have the honour to be, sir,

Your Excellency's very obedient servants,  
N. M. ROTHSCHILD & SONS."

His Excellency M. de Musurus, Ambassador  
from the Ottoman Porte."

The next was from Messrs. Palmer, Mackillop, and Co. :—

"SIR,—We beg to tender for the £5,000,000 of 4 per cent. sterling bonds, £100 11s. for every £100 bond, and agree to the conditions stated in your Excellency's notice of the 15th inst.

And we have the honour to be, sir,

Your very obedient servants,  
PALMER, MACKILLOP, DENT, & Co."

M. Musurus then declared that the tender of Messrs. Rothschild, being the most favourable, was accepted.

A short conversation subsequently took place in relation to the payment of the premium, the loan for £5,000,000 actually representing, according to the terms offered, £5,131,250. After a conference between the Governor of the Bank, M. Musurus, and Baron L. Rothschild, it was agreed that the first instalment of £500,000 shall be paid as already arranged, and that the premium shall be left till the last instalment. A statement was circulated, that the *minimum* price fixed for the loan by the Turkish minister was 100½, but the sealed document in which it was contained was not opened, and it is not probable that any information was given on the subject, even after the completion of the contract. Annexed is the manner in which the arrangement for the deposit and instalment now stands:—

Deposit, £10 per cent., £500,000, August 22; second instalment, £20 per cent., £1,000,000, September 12; third instalment, £20 per cent., £1,000,000, October 20; fourth instalment, £15 per cent., £750,000, November 23; fifth instalment, £15 per cent., £750,000, December 14; sixth instalment, £10 per cent., £500,000, January 1, 1856; seventh instalment, £12 12s. 6d. per cent., £631,250, January 25.—Total, £5,131,250.

In determining the value of the new Turkish stock, the subjoined calculations may, perhaps, prove of some service:—The Turkish Four per Cent. Loan, at 102½ (or par, as it is considered in the dealings in the scrip), pays at the rate of £3 18s. per cent. per annum.

At 103	...	...	...	...	...about £3 17 8
At 103½	...	...	...	...	3 17 4
At 104	...	...	...	...	3 16 11
At 104½	...	...	...	...	3 16 7
At 105	...	...	...	...	3 16 2
At 105½	...	...	...	...	3 15 9
At 106	...	...	...	...	3 15 5
At 106½	...	...	...	...	3 15 1
At 107	...	...	...	...	3 14 9

It must be remembered, however, that the interest on the instalments, from August 1st to the date of the several payments, is equal to a bonus of £1 1s. 1d., so that the price is really only £101 11s. 5d. per cent. To pay the same rates of interest, Consols and Turkish Four per Cent. should stand at the following prices:—

	Consols about	Turkish about
To pay 4 per cent. ... ..	75	100
To pay 3½ " ... ..	80	106 5-16
To pay 3¼ " ... ..	85½	114½
To pay 3½ " ... ..	92½	123 1-16
To pay 3 " ... ..	100	133 5-16

But it must be borne in mind that, after 1859, the Turkish is redeemable, and the value above par must be diminished by the value of the chance of the bond being paid off at £100. For the first five years, dating from 1859, the number of bonds annually drawn will vary progressively from 1 to about 1½ per cent. of the amount outstanding; for the next five years, from 1·29 to 1·69 per cent.; for the next five, from 1·79 to 2·14 per cent.; and for the last five, from 2·29 to 2·94 per cent. In 1879, the power of paying them all off at par comes into play, and there is no longer any safe guide for estimating the premium beyond the position of the money market, and there will then be about £3,500,000 outstanding. Supposing the £250,000 per annum to be regularly paid after 1859, so as to give the sinking fund its full effect, the whole loan will be redeemed in A.D. 1900.

#### NEW JOINT-STOCK BANKS.

It appears that the success of the joint-stock banks in London is likely to create further competition. In addition to the City Bank, the Bank of London, and the Unity Mutual Joint-stock Banking Company, two other projects are announced, viz., the Western Bank of London, and the Metropolitan Bank. Detailed prospectuses have not at present

been published, but it is understood that the promoters propose to transact business in accordance with the rules of banking hitherto adopted. The capital in each case is £500,000 (with power in the former to increase to £1,000,000), divided in shares of £100, half of which is to be paid up before operations are commenced. It may be questioned whether banking enterprise, profitable as it has already been, may not be pushed beyond a prudent limit, if so great an addition be made to the existing establishments.

### THE PRESENT POSITION OF THE MONEY MARKET.

ALTHOUGH there is no apprehension that any great stringency in the money market is about to ensue, bankers and others are looking for more remunerative rates for the employment of their capital. Already the demand for general accommodation has become more active, but extraneous circumstances have, in a measure, principally influenced the alteration. The negotiation of the three loans during the past few months—the English one, of £16,000,000, and those of France and Turkey for £30,000,000 and £5,000,000—have absorbed a considerable amount of capital, and the progress of the instalments will eventually be further felt in connection with supply and demand. The release, however, of a large portion of the deposits temporarily locked up, in the two latter instances, through the extraordinary nature of the subscriptions, has ameliorated the pressure that was experienced during the early part of the month. But, while making due allowance for the effect of these large financial operations, the inquiry for trading purposes has rather augmented, so that the average quotation is now quite  $3\frac{1}{2}$  per cent., or the same as the *minimum* terms of the Bank of England. During the progress of the harvest, there will be a demand in the chief agricultural districts, to meet the payments incidental to the season, and therefore the current rate will, in all probability, be maintained. It has been stated that the directors of the Bank will shortly increase their price for money accommodation; but, unless some great change should come over the face of our mercantile relations, and a fresh speculation be inaugurated by the influence of the Limited Liability Act, we can see no patent reason for an advance, the remittances from America and Australia although not fully so large as formerly, continuing steadily to flow in. Even should the rate be raised, it will not, for the present, exceed an additional half per cent., the prospects of the crops being generally considered favourable, not only in the United Kingdom, but also in the United States. That the country has already successfully struggled to meet an enormous expenditure, consequent upon the war, it requires few facts to establish, but the following statement from the *Economist*, on “The Finance of the Session,” deserves attentive perusal, as illustrating the case in a forcible and striking manner.

However willing the country is to bear all the necessary expenses it will be content the war will terminate and success is a probability; moreover that we should have nearly kept before us the actual expenditure, and so be securing, including the cost of collecting the revenue, the entire expenditure of the current year according to the estimates, and other Parliament during the session which has just expired amounts to no less a sum than £46,325,561, which is made up of the following sums:—

*Estimated Expenditure for the year ending March 31st, 1855.*

	Exceeding cost of collecting the revenue.	Exceeding cost of collecting the revenue.
Charges for interest and management of the funded and unfunded debt... £27,472,000	£	£
Permanent charges on the consolidated fund... .. 1,750,000		
	29,222,000	29,222,000
Army, including militia and commissariat... .. 15,759,532		
Navy, including transports and packet service... .. 19,379,013		
Ordnance... .. 4,541,142		
Vote of credit for extraordinary ex- penses of the war... .. 3,000,000		
	42,679,687	42,679,687
Miscellaneous civil service... .. —	4,500,000	4,500,000
Loan to hardware... .. —	1,000,000	1,000,000
Collection of the revenue—		
Customs... .. 1,315,420		
Land revenue... .. 1,425,679		
Post-office... .. 1,635,561		
	—	4,356,660
	67,036,687	71,422,637
Ways and means bills, issued in 1854-55, remaining to be paid off... .. 1,000,000	1,000,000	1,000,000
Margins... .. 2,162,313		2,162,313
	90,139,000	94,524,951

It will be observed that the entire provision for the services in connection with the war, including a vote of credit of £3,000,000, applicable to unforeseen exigencies, amounts to £49,512,657, or about £33,500,000, in addition to the ordinary peace expenditure for those services. Of this large sum, the expenditure of the army and commissariat is £15,759,532; that of the navy, including transports and packet service, is £19,379,013; and that of the ordnance is £4,541,142. But, besides these sums, there is the vote of credit of £3,000,000, which may be applied to any of the three services. The expenditure under these heads in the present year will therefore exceed by a considerable sum all the other expenditure of the year, including the charges upon the national debt and the cost of collecting all branches of revenue.

The way in which this enormous expenditure has been provided for is as follows:—

*Estimated Income into the Exchequer in the Year ending March 31, 1856.*

				Net.	Gross.
Customs ... ..	...	...	...	£22,450,000	£23,768,420
Excise ... ..	...	...	£17,921,000		
Stamps ... ..	...	...	6,815,000		
Land and assessed taxes ...	...	...	2,920,000		
Property and income tax...	...	...	14,535,000		
				42,191,000	43,619,670
Post-office, including £288,000 for newspapers ... ..	...	...	...	1,438,000	3,076,861
Crown lands ... ..	...	...	...	260,000	260,000
Miscellaneous ... ..	...	...	...	800,000	800,000
				67,139,000	71,524,951
Money to be raised by loan...	...	...	...	16,000,000	16,000,000
Ditto by Exchequer Bills ...	...	...	...	7,000,000	7,000,000
Total ... ..				90,139,000	94,524,951

From this statement it appears that, under all kinds of taxation, the entire sum which will be collected amounts to £71,524,951, and that £23,000,000 will be raised by an addition to the funded and unfunded debt of the country.

Taking the usual income of the country from the ordinary sources of taxation, including the cost of collection, at £54,000,000, it follows that the additional taxation of the present year, in consequence of the war, amounts to £17,524,951, and, as the entire additional expenditure caused directly by the war amounts to £33,500,000, fully one-half is borne by additional taxation, and somewhat less than a half is furnished by loans. It will be observed that the entire provision of ways and means for the year includes a sum of £1,000,000, part of the loan to the Sardinian Government; a sum of £1,000,000, to repay deficiency bills issued last year; and a sum of £2,102,313, as a margin of income over estimated expenditure.

Of the £23,000,000 provided by way of addition to the public debt (funded and unfunded), £16,000,000 has already been contracted for, and is now in the course of payment. Of the remaining £7,000,000, in the form of Exchequer-bills or Exchequer-bonds no portion has yet been issued, nor is it probable, judging by the explanations given in Parliament, that any portion of these securities will be brought upon the open market until the close of the present year, and probably not until early in the next year.

We are now in the second year of the war, and by the time it is expired there will have been raised by way of loans by England and France, and the subscriptions completed, the sum of £29,000,000, by the former, and of £66,000,000 by the latter, making together £95,000,000 of public securities absorbed within two years.

#### THE RESULTS OF THE HALF-YEARLY MEETINGS.

Of the extraordinary success of joint-stock banking enterprise, no greater evidence can be required than the results of the late half-yearly meetings. With the increase of banks there appears to have been an increase of banking business, and the rapid strides of the principal establishments show that the confidence of the public in their



stability is of a most undoubted character. It must be a proud satisfaction to the original promoters of these undertakings, to find that the progress of the joint-stock banking system has been so extremely encouraging, and that the principles upon which business is transacted have promoted the best interests both of shareholders and customers. The subjoined table, compiled from the latest balance sheets published by the several banks, exhibits their relative capitals and extent of transactions, as well as the respective periods at which they were opened, and the number of branches belonging to each. The growth of business exhibited by these returns is still very great, the aggregate of deposits held by the six establishments having increased from £26,315,473, at which it stood last half-year, to £29,376,410, showing an augmentation of more than 11½ per cent. In this the Union and the London and Westminster have most largely participated. With the flood of competition now threatened, after a period of fifteen years, during which scarcely any one seemed disposed to enter into any fresh undertakings of this description, a similar progress for the future cannot be expected; but, as the profits now reached are larger than the shareholders could ever reasonably have anticipated, they will be well satisfied if these can be sustained.

Banks.	Paid-up Capital.	Deposits.	Guarantee Fund.	Rate of Dividend for Half-year just ended.
	£	£	£	
London and Westminster — established 1834. 6 branches...	1,000,000	8,166,553	137,889	6 per cent. per annum, and bonus of 4 per cent. for half-year, making distribution at rate of 14 per cent. per annum, and leaving £7,725 to be carried forward.
London Joint-Stock — established 1836. 1 branch ...	600,000	6,584,238	158,373	12½ per cent. per annum, leaving £35,124 applicable for a bonus at the usual period.
Union of London — established 1839. 3 branches ...	600,000	8,863,460	120,000	20 per cent. per annum for the past year.
London and County — established 1839. 57 branches ...	466,332	4,012,223	103,719	10 per cent. per annum, leaving £13,693 applicable for a bonus at the usual period.
Commercial, established 1840. 1 branch ...	300,000	1,317,554	67,453	10 per cent. per annum for the past year.
Royal British — established 1849. 6 branches ...	100,000	982,382	13,795	6 per cent. per annum, leaving £1,163 to be carried forward.

## THE FAILURE OF MR. E. OLIVER.

It will be noticed by the appended extract from the City article of the *Times*, that the affairs of Mr. Oliver have not yet been satisfactorily arranged. The repeated assertions that the liquidation would be favorable, and that if the estate did not leave a surplus, it would at least pay 20s. in the pound, stands evidently no chance of being fulfilled, the nearest present estimate of 2s. 6d. to 4s. showing the utter fallacy of any reliance upon what may be considered preliminary statements in these cases. The pertinacity of those who represented the interests of the creditors in the locality, in endeavouring to veil the true history of the case, has not escaped attention in London or Liverpool, and instead of serving either Mr. Oliver or his friends, it has unfortunately exercised a prejudicial influence upon the credit of the ship-building and ship-vending business. No question can be entertained but that the ultimate dividend will be very small indeed.

A failure for a million sterling occurred in October last, about which the public have since heard little. The house was that of Mr. Edward Oliver, ship-owner of Liverpool. As usual, all the parties interested, including some of the leading joint-stock banks and principal firms of the place, announced unhesitatingly there would be a very large surplus. £300,000 was the smallest amount that would be left, after payment of 20s. in the pound. The *Times* recorded the prevalence of these expectations, but from private information took the opportunity of cautioning the commercial community against placing unreserved reliance on them. Credit being in a critical state, the advice was given in an extremely guarded manner, and but for the necessity of averting the tendency to panic, a warning ten times as forcible would have been warranted. This forbearance, however, was met in a remarkable way by the large firms who had been appointed trustees of the estate, and who were deeply interested in it. These gentlemen immediately caused a notice to be posted on the Liverpool Exchange, that the statements of the *Times* were erroneous. This was allowed to be circulated in an unqualified form all over the world, and as no other persons could have such opportunities of knowing the precise facts of the case, or could be bound to recognise so completely the responsibility of misleading their commercial brethren, there was a general readiness to assume that the notification was one that might be relied upon. A few, better informed than the rest, remained incredulous; but, on the whole, the result was such as to facilitate all kinds of subsequent attempts—some of them of a most singular character—to arrange a private distribution of the assets, and prevent an exposure in the Court of Bankruptcy. Since then, they have had many circumstances on their side to promote a favourable liquidation, including an active demand for tonnage by the Government, and a rapid fall in the rate of discount from 5 to 3½ per cent. Ten months have now passed, and it is time to inquire whether they are in a position to justify their course, or whether the case is to be added to those too frequent instances of utter recklessness on the part of persons claiming a position in the commercial world, as to the nature of any statements they may make, provided the purpose can be accomplished of transferring risk from themselves to others. Meanwhile it may be mentioned, according to the latest reports current at Liverpool, that not a single penny has yet been paid in the shape of dividend; that those who were sanguine enough, in accordance with an arrangement concocted at an early stage of the business, to take

ships at a valuation of 50 per cent. in full discharge of their claims, and who have since had the benefit of their earnings, will perhaps be called upon to refund heavily; and that the prospect of the whole amount ultimately to be realised for the creditors, has dwindled to something between 2s. 6d. and 4s. in the pound.

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### THE LATE FRENCH LOAN.

THE Emperor Louis Napoleon may congratulate himself on the great success of his financial measures. The subscriptions for the last loan of £30,000,000 have poured in with such freedom, that in the appropriation they have had thus to be reduced one-sixth. The preference to the "open tender" system, as far as France is concerned, would thus appear to be established. The final report of the Minister on the question is a document worthy of perusal, and it is therefore subjoined:—

"Sire,—The last returns relative to the loan of 750,000,000f. having reached me, I hasten to lay before your Majesty the definite results of the subscription. The amounts indicated approximately in my report of the 30th ult. are confirmed, and even exceeded. The number of subscribers actually amounts to 316,864. The capital subscribed for is 3,652,591,985f., viz., subscriptions of 50f. and under, which are not to be reduced, 231,920,155f.; of 60f. and upwards, subject to proportionate reduction, 3,420,671,830f. The departments have furnished 236,577 subscribers, for an amount of 1,118,703,535f. The 3,533,888,450f. subscribed in Paris included about 600,000,000f. from abroad. The tenth part deposited in Paris and in the departments, by way of guarantee, forms a total of 365,259,198f. In order that so considerable a sum shall be kept as short a time as possible out of circulation, I had made provisional arrangements which allowed the restitutions to be commenced on the day following the close of the loan, and the reimbursements made in Paris already amount to more than 120,000,000f. The preparation of the certificates for the subscriptions which are not to be reduced, is almost complete. The liquidation of the subscription to be reduced could not be properly commenced until the receipt of the definitive returns, which form the essential basis for the division. It is now in course of execution, and every measure has been adopted to carry it on with the greatest activity. According to the law of the 11th of July last, the loan comprises a principal sum of 750,000,000f., and a supplement of 30,000,000f., destined to facilitate the liquidation of the subscriptions and to cover the discount. Justice requires that, after deducting the amount of the subscriptions of 50f. and under, all that remains, principal and supplement included, should be as much as possible divided proportionately among the subscriptions subject to reduction. The mathematical proportion accruing to each subscriber would be 15f. 92c. per cent. on the sum subscribed; but in order to prevent a fractional division, which is contrary to the rules which regulate the great book of the public debt, and to avoid difficulties of execution quite insurmountable, it is necessary to effect the liquidation by multiples of 10f. for Rentes of 1,000f. and under, and by multiples of 100f. for those of a higher amount. It will necessarily result from this arrangement that, as in former loans, some will have a little more, and others a little less than their actual proportion. The balance of all these differences, more or less, will leave but a very unimportant disposable residue. I have conformed to the



period the shipments were extraordinarily large. Compared with the preceding year, the return presents an increase of £402,632; and, looking at the prosperity which then prevailed, this result must be considered exceedingly favourable. The principal falling-off from 1854 continues to be in woollen manufactures and metals, but in no article is there a difference of any very serious extent. The subjoined table exhibits the exact increase or decrease under each head:—

## DECLARED VALUE OF EXPORTATIONS.

Month ending July 5th, 1854, and June 30th, 1855.	1854.	1855.	Increase.	Decrease.
Alkali—viz., soda ... ..	38,010	37,890	—	120
Beer and ale ... ..	129,722	140,918	11,196	—
Butter ... ..	57,165	65,898	8,733	—
Candles ... ..	9,720	18,465	8,745	—
Cheese ... ..	5,663	6,736	1,073	—
Coals and culm ... ..	207,618	276,352	68,734	—
Cordage and cables ... ..	28,049	17,569	—	10,480
Cotton manufactures ... ..	2,168,504	2,195,889	27,385	—
Cotton yarn ... ..	592,823	513,693	—	79,130
Earthenware ... ..	116,082	83,406	—	32,676
Fish ... ..	17,117	15,074	—	2,043
Glass manufactures ... ..	53,254	39,371	—	13,883
Haberdashery and millinery ... ..	305,752	235,044	—	70,708
Hardware and cutlery ... ..	849,102	243,978	—	105,124
Leather ... ..	125,570	87,987	—	37,583
Linen manufactures ... ..	340,967	370,252	29,285	—
Linen yarn ... ..	61,307	72,441	11,134	—
Machinery ... ..	166,590	191,840	25,250	—
Metals ... ..	1,440,081	1,241,704	—	198,377
Oil and seeds ... ..	23,199	71,774	48,575	—
Painters' colours, &c. ... ..	84,861	27,350	—	7,511
Salt ... ..	25,759	32,359	6,600	—
Silk manufactures ... ..	122,708	77,748	—	44,960
Silk, thrown ... ..	13,593	25,557	11,964	—
Silk, twist and yarn ... ..	25,019	25,111	92	—
Soap ... ..	21,411	25,150	3,739	—
Stationery ... ..	60,026	41,940	—	18,086
Sugar, refined ... ..	11,265	14,311	3,046	—
Wool, sheep or lambs ... ..	91,130	87,922	—	3,208
Woollen manufactures ... ..	952,047	712,424	—	239,623
Woollen yarn ... ..	113,527	179,212	65,685	—
Unenumerated articles ... ..	1,039,672	993,230	—	46,442
Total ... ..	8,747,313	8,168,595		

With regard to imported commodities, an increase in the arrivals of wheat and flour is shown, for the first time for some months. In the consumption of other articles there has been a diminution to about the extent that might have been expected from the necessity for economy produced by the war. Coffee, tea, cocoa, sugar, spices, and tobacco have all been taken in smaller quantities. In the consumption of wines and spirits there has been a trifling increase.

Subjoined are the quantities of provisions, &c., imported and taken for home consumption:—

Month ending July 5th, 1854, and June 30th, 1855.	Imported.		Home Consumption.	
	1854.	1855.	1854.	1855.
Grain, wheat, qrs. ... ..	356,963	383,076	357,104	383,076
Grain of other descriptions, qrs.	197,961	236,749	197,961	236,749
Indian corn, qrs. ... ..	147,071	73,011	147,071	73,011
Flour and meal, cwt. ... ..	222,564	230,141	222,564	230,141
Provisions—Bacon, &c. &c., cwt.	225,461	90,799	Free.	Free.
Butter and cheese, cwt. ...	73,523	68,431	72,112	67,463
Animals, No. ... ..	19,476	19,509	Free.	Free.
Eggs, No. ... ..	14,625,994	11,955,400	14,625,994	11,968,600
Cocoa, lb. ... ..	408,153	1,619,166	300,708	279,601
Coffee, British, lb. ... ..	5,408,724	7,028,375	2,642,704	2,273,273
Ditto, foreign, lb. ... ..	710,035	2,113,245	393,036	870,307
Total coffee ... ..	6,118,759	9,141,620	3,035,740	2,643,580
Sugar—				
West India, cwt. ... ..	193,545	395,139	421,722	241,208
Mauritius, cwt. ... ..	164,104	119,845	220,753	109,046
East India, cwt. ... ..	38,816	35,596	97,621	26,158
Foreign, cwt. ... ..	172,703	253,407	7,815	152,236
Total sugar ... ..	569,168	803,987	747,911	528,648
Tea, lb. ... ..	2,884,619	11,206,547	4,840,716	4,692,723
Rice, cwt. ... ..	216,532	276,321	82,801	47,100
Spirits, gallons ... ..	901,057	911,584	320,622	322,544
Wines, gallons ... ..	1,114,567	1,209,053	554,838	569,570
Opium, lb. ... ..	182	1,340	3,888	4,041
Tobacco, lb. ... ..	724,315	1,887,444	2,451,005	2,407,502
Currants, figs and raisins, cwt. ...	7,870	19,772	29,435	26,273
Lemons and oranges, bushel ...	10,646	33,162	10,569	38,141
Spices, lb. ... ..	482,442	324,132	270,977	241,342
Ditto, cwt. ... ..	60	2,387	235	146

The comparative imports and exports of raw material show an increase of hemp and tallow, notwithstanding the Baltic blockade :—

Month ending July 5th, 1854, and June 30th, 1855.	Imported.		Exported.	
	1854.	1855.	1854.	1855.
Flax, cwt. ... ..	158,188	92,095	—	—
Hemp, cwt. ... ..	106,867	156,602	—	—
Raw silk, lb. ... ..	471,765	873,994	193,315	224,821
Cotton, cwt. ... ..	881,908	768,050	102,082	104,457
Wool, lb. ... ..	13,922,889	10,268,375	2,663,755	2,107,845
Tallow, cwt. ... ..	54,828	98,000	—	—

Of silk manufactures, the totals stand thus :—

Month ending July 5th, 1854, and June 30th, 1855.	Imported.		Home Consumption.	
	1854.	1855.	1854.	1855.
Silk manufactures of Europe, lb.	46,120	46,674	44,467	45,287
Ditto of India, pieces ... ..	70,531	29,184	6,497	4,921

# THE AMERICAN WHEAT CROPS OF 1849 AND 1855.

(From the *New York Herald*.)

We find the following comparative table of the wheat crop of 1849, as shown in the United States' census of 1850, and the estimated crop of 1855, in the *Cincinnati Price Current*:—

	1849. Bushels.	1855. Bushels.
Ohio ... ..	14,487,000	18,000,000
Pennsylvania ... ..	15,367,000	18,000,000
Virginia ... ..	11,212,000	12,000,000
New York ... ..	13,121,000	15,000,000
Alabama ... ..	294,000	500,000
Illinois ... ..	9,414,000	13,000,000
Indiana ... ..	6,214,000	10,000,000
Iowa ... ..	1,530,000	2,500,000
Kentucky ... ..	2,142,000	3,000,000
Maryland ... ..	4,494,000	4,000,000
Michigan ... ..	4,925,000	6,000,000
Missouri ... ..	2,981,000	4,000,000
Tennessee ... ..	1,619,000	3,500,000
Wisconsin ... ..	4,286,000	7,000,000
Totals ... ..	92,086,000	114,500,000

Since the season of 1849, and including the present year, in nearly all the Western States at least one-third more acres of land have been placed under cultivation, while in New England, New York, New Jersey, Pennsylvania, Maryland, and Virginia, the number of acres cultivated has been but slightly if at all augmented. But this year's crop, according to all accounts, will yield probably one-fourth more bushels of wheat on the same number of acres than the soil produced six years ago. If we acknowledge these facts—and we see no grounds for contradiction—the above aggregate of 114,500,000 bushels, or an increase over the yield of 1849 of but 22,000,000 bushels in the fourteen States named, does not even approximate to the probable actual result. For instance, the estimated yield of Ohio is put down at 18,000,000, while an average crop in that State would be 22,000,000 of bushels; and in Illinois, whence we have a report that the crop would be 25,000,000—which, however, we regard as altogether too high a figure—the table above allows only 13,000,000. In New York, the increase over 1849 is put down at 1,879,000, while, in fact, it will not fall much short of being 3,000,000 bushels greater than the comparatively meagre yield of that year. We have prepared the following table after a great deal of calculation, which we give for the benefit of speculators, and which, we think, will be acknowledged, and will no doubt be found to be, a great deal nearer the actual aggregate of the wheat crop this year in the States named than that of our contemporary in Cincinnati:—

	1849. Bushels.	1855. Bushels.
Ohio ... ..	14,487,000	25,000,000
Pennsylvania ... ..	15,367,000	21,000,000
Virginia ... ..	11,212,000	15,000,000
New York ... ..	13,121,000	16,000,000
Alabama ... ..	294,000	700,000
Illinois ... ..	9,414,000	23,000,000
Indiana ... ..	6,214,000	19,000,000

*The American Wheat Crops of 1849 and 1855.*

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	1849. Bushels.	1855. Bushels.
Iowa ... ..	1,530,000	3,000,000
Kentucky ... ..	2,142,000	3,500,000
Maryland ... ..	4,484,000	5,000,000
Michigan ... ..	4,925,000	7,000,000
Missouri ... ..	2,981,000	5,500,000
Tennessee ... ..	1,619,000	4,000,000
Wisconsin ... ..	4,236,000	9,000,000
Total ... ..	<u>92,086,000</u>	<u>156,700,000</u>

This shows an aggregate of nearly 157,000,000 bushels of wheat as the estimated product of the crop in 1855 in fourteen States, which is an increase over the production of 1849 of 62,500,000 bushels.

If we continue our figures for the balance of the States and territories, we shall be able to form some estimate of the entire crop of the country. We put them down as follows :—

	1849. Bushels.	1855. Bushels.
Arkansas ... ..	199,000	300,000
California ... ..	17,000	150,000
District of Columbia...	17,000	20,000
Connecticut ... ..	41,000	50,000
Delaware ... ..	482,000	550,000
Florida ... ..	1,000	2,000
Georgia ... ..	1,088,000	1,200,000
Louisiana ... ..	—	—
Maine ... ..	296,000	400,000
Massachusetts ... ..	31,000	50,000
Mississippi ... ..	137,000	200,000
New Hampshire ... ..	185,000	200,000
New Jersey ... ..	1,601,000	2,000,000
North Carolina ... ..	2,130,000	2,500,000
Rhode Island ... ..	—	—
South Carolina ... ..	1,066,000	1,200,000
Texas ... ..	41,000	100,000
Vermont ... ..	535,000	650,000
Minnesota ... ..	1,000	500,000
New Mexico ... ..	196,000	400,000
Oregon ... ..	211,000	500,000
Utah ... ..	107,000	500,000
Kansas ... ..	—	200,000
Nebraska ... ..	—	200,000
Total ... ..	<u>8,382,000</u>	<u>11,872,000</u>
14 States in previous table ...	<u>92,086,000</u>	<u>156,700,000</u>
Grand total ... ..	<u>100,468,000</u>	<u>168,572,000</u>

By the above, it will be seen that our estimates make 168,500,000 bushels of wheat as the total yield of the present season, which is 68,000,000 bushels over that of 1849. The value of the wheat crop in that year is put down in the census report at \$100,000,000. If we value the present crop at \$1½ a bushel—which will probably be its average price—it will be worth an aggregate of more than \$210,500,000.



## FURTHER ISSUE OF EXCHEQUER BILLS OR EXCHEQUER BONDS.

Mr G. C. Lewis, the Chancellor of the Exchequer, has obtained the sanction of Parliament to a vote for £7,000,000, to meet any deficiency that may arise in the ways and means for the current year. When he raised his loan of £16,000,000, he announced an intention of asking at a late period of the year for a credit of £3,000,000 in Exchequer bills, but that is now increased by £4,000,000, making the total which he has requested power to obtain. All these movements are the necessary consequences of false theories respecting a war expenditure, which having been unfortunately inaugurated by Mr. Gladstone, appear to be too closely followed in the Treasury department. The vote was introduced to the notice of the House of Commons on the 2nd of August, and it has since passed through its successive stages, until an act has been founded in due form upon it. It will be remembered that, at the time of the negotiation of the loan, the public considered that the amount was not equal to the emergency, and contended that at least from £20,000,000 to £23,000,000 would be required. Full evidence is now afforded of the correctness of the opinion of the great majority. The following is the principal debate on the topic, and may be well incorporated in our pages for future reference.

### WAYS AND MEANS.—ISSUE OF EXCHEQUER BILLS AND BONDS.

On the motion of the Chancellor of the Exchequer, the House resolved itself into a committee of ways and means.

The Chancellor of the Exchequer then said: Mr. Fitzroy, notwithstanding the advanced hour of the night, I trust the committee will allow me to explain the resolutions which I am about to put into the chairman's hands, seeing that to-morrow will be occupied with a debate on another subject. It would not be convenient that the resolutions should be brought under the notice of the House on Saturday, and if they were postponed until Monday the session would be lengthened more than we wish to see it. If the committee will allow me to proceed, I hope to be able, in a short time, to conclude the statement that I have now to make. In the financial statement of the year, made in April last, I estimated the entire receipts of the revenue for the year ending April next, at £86,339,000. That amount was made up of the estimated revenue for the ensuing year, of a loan of £16,000,000, and a vote of £3,000,000 for the prospective issue of Exchequer bills. [Mr. Disraeli: That does not make £86,000,000.] The estimated revenue from taxation from the ensuing year, the loan of £16,000,000, and the issue of £3,000,000 Exchequer Bills, made together a total amount of £86,339,000. That estimate holds good at the present time, with the exception that I estimated the amount of £200,000 as likely to be produced from a stamp duty on bankers' cheques, which I afterwards abandoned; and, therefore, the expected receipts of the year, as set forth in the budget of the 20th of April, may now be taken at the reduced amount of £86,139,000. The expenditure, including the loan to Sardinia, and the repayment of advances made on Exchequer bills for ways and means of the present year, was stated at the same time at £81,899,000; this sum deducted from the present corrected estimate of the receipts (£86,139,000) leaves a margin of £4,240,000. That is the margin of revenue over expenditure according to the estimate of receipts and expenditure as I stated it to the House in the month of April last. At that time as the committee are aware, this calculation was founded upon the estimates for military purposes which had been partially voted. The vote for the civil service was not then taken. The estimates for civil services, which had been partially prepared, I estimated at £6,500,000. That branch of the expenditure has now received the sanction of the House, and the total sum voted for the

civil services is £6,506,062, which agrees almost exactly with the estimate I made. (Hear.) But it has been necessary, as the committee are aware, to submit an increased estimate for the military services, in addition to those which had been agreed to by the House when I made the estimate of expenditure and revenue in April. The reasons for these increased estimates have been explained to the House when the votes were taken. It is an ancient observation, that war does not consume according to rule and measure, and these estimates which we proposed at the commencement of the year, after six months' experience of the war, have proved insufficient, and it has been necessary to make additional estimates to meet the increased expenditure, as tested by the actual expenditure of the first four months of the year which have expired, and the amount of which has been ascertained. To the estimates for military purposes originally voted I have to add the supplemental estimates since agreed to, and I will state the actual expenditure for military purposes during the four months including April, May, June, and July last. The original estimates for the three purposes of the army, the commissariat, and the militia, were £16,221,197. There has since been a supplemental estimate for the commissariat, amounting to £2,568,335. The total estimate for the army, the commissariat, and the militia now stands at £18,789,532. The actual expenditure which has taken place since the beginning of the present financial year under these three heads, in the four months to the 31st of July, 1855, was £4,850,000. That sum has been actually disbursed, and that will give an estimated expenditure for the year of £14,550,000. So that there is every reason to hope that the estimated sum will exceed rather than fall short of the actual expenditure of the year. The original estimate for the navy and the transport and packet services was £16,653,042; the supplemental estimate was £2,725,971; making together £19,379,013. The actual expenditure for these services since the beginning of April has been £7,649,603. If, as in the former case, we multiply this actual expenditure by three, we have a total of nearly £23,000,000, which is higher than the amount that has been estimated as necessary for the naval service of the year. It is hoped, however, that the expenditure during these four months is not to be regarded as any guide to the total expenditure of the year, but that the expenditure during the next eight months may fall short of the scale of expenditure for naval purposes during the earlier months of the financial year. The original estimate for the Ordnance was £7,803,154, and there was a supplemental estimate of £841,138, making altogether £8,644,292. The expenditure for the Ordnance during the last four months has been £2,812,961, and that amount, multiplied by three, gives a sum of £8,437,883, or something below the total estimate formed of the expenditure of this department for the year. Then, under the head of "Vote of Credit," there is an expenditure of £1,200,000, the result being that the original estimates for the year were £43,677,393, and the supplemental estimates £6,135,444, making a total of £49,812,837. The total expenditure for military purposes during the last four months has been £18,512,564, and if we multiply that sum by three we have an amount of £49,537,692, which nearly agrees with the total estimate for the year—£49,812,837. Having informed the committee of the result of this comparison between the estimated and the actual expenditure, it now becomes my duty to propose the means of meeting that additional expenditure which has been sanctioned by the house since I made my financial statement early in the year. I then said that I should propose an additional vote of £3,000,000 of Exchequer bills. I now propose to increase the amount of that vote to £7,000,000, taking at the same time the option, in case it should be found advisable, of raising some portion of that amount by Exchequer bonds, instead of Exchequer bills. The margin which was allowed, according to my previous estimate, was, as I have already stated, £4,240,000. That margin assumed that there would be a vote of £3,000,000 of Exchequer bills, to which I now propose to add £4,000,000 of Exchequer bills; so that these amounts together will provide an excess of receipts over expenditure of £8,240,000. Deducting from that excess of revenue over expenditure the additional estimates for military expenditure to the amount of £6,135,000, there will remain an unappropriated margin of ways and means of £2,105,000. If, therefore, the expenditure should amount to the sum

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already voted by the house, and if it should be necessary to resort to the entire grant of ways and means which I am now proposing, there will remain an unappropriated margin of rather more than £2,000,000 sterling. It is always necessary that some margin should be left for unforeseen expenses, but in this case I think the committee will be justified in not requiring the Government to provide any considerable amount of margin for such unanticipated expenses. We know the actual expenditure for the last four months—one-third of the entire year, and the portion of the year, probably, which includes those warlike operations which are attended with the greatest expense. With this experience we are able to estimate with greater correctness the probable demands of the war during the remaining eight months of the year; and there is, therefore, the less necessity for providing a large margin of unappropriated ways and means in order to meet unforeseen contingencies. I may also state that, though I have provided a margin of £2,000,000 sterling, it was necessary, at the beginning of the financial year, and before the first instalments of the loan were received, to issue a sum of money in ways and means bills amounting to about £1,700,000, which must be provided for out of the revenue of the year; and, therefore, although, according to the calculation I have submitted to the committee, we have an apparent margin of £2,000,000, nearly the whole of that amount may be regarded as already practically absorbed, and the plan I propose will, in fact, exhibit nearly an exact balance of receipts and expenditure. I should also add, as an additional reason for not providing any considerable excess of margin, that one object of making such provision is to meet the contingency of a deficient revenue. I am happy to be able to state to the committee that the receipts of the revenue during the first four months of the year have been on the whole satisfactory—(hear, hear)—and that so far as a judgment can be formed from the amount of taxes actually received, it may be reasonably expected that the estimate of their produce, which I submitted to Parliament in April last, will be fully realised—(hear). I have now merely to trouble the committee with a short statement as to the amount of Exchequer bills at present outstanding. The proposition I have to submit to the committee is that, instead—as I originally proposed—of taking a vote of £3,000,000 of Exchequer bills intending to cover the vote of credit of £3,000,000 to which the House agreed this morning, that vote shall be increased to £7,000,000 and that a power shall be given to the executive Government of increasing to that extent the unfunded debt of the country. The amount of Exchequer bills outstanding on the 31st July, was £17,099,400. There are also outstanding Exchequer bonds to the amount of £6,000,000 at 3½ per cent., £2,000,000 of which are payable in 1937, and the same amount in 1938 and 1939. Now, although that amount of unfunded debt may seem considerable, it is by no means large, as compared with the amount of the unfunded debt during the late war, and even subsequently to the conclusion of the war. In 1812 the total amount of Exchequer bills in circulation was £41,000,000; in 1813 it was £43,000,000; in 1814, £45,000,000; and in 1815—the last year of the war—£57,000,000. Even in the year 1818 the amount of Exchequer bills in circulation was £56,000,000; in 1819 it was £43,000,000; and up to 1839 the amount outstanding was never under £24,000,000. Therefore, if the committee should agree to add £7,000,000 to the present amount of Exchequer bills, and if it should be necessary for the Government, in order to meet the exigencies of the public service, to increase the issue of Exchequer bills to that extent, the amount of Exchequer bills in circulation will not equal what it was for many years subsequently to the termination of the war. I believe means can be found of replacing Exchequer bills to a considerable amount, without affecting the general market or influencing the rate of interest. Exchequer bills are now at a considerable premium, even those the interest upon which was slightly lowered at the beginning of the quarter, and the premium has risen since the time when the reduction of interest took place. Under these circumstances, seeing that scarcely any other option is left to the Government, especially at this late period of the session, as to the mode of raising additional ways and means, I hope the resolutions I have to submit to the Committee will meet with their approbation, and that they will confer upon

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the executive Government the power of increasing the unfunded debt to the amount proposed in order to meet the exigencies of the public service. The Right Honourable Gentleman concluded by moving the following resolutions:—

“That, towards making good the supply granted to Her Majesty, the Commissioners of Her Majesty’s Treasury be authorised to raise any sum of money, not exceeding £7,000,000 sterling, by the issue of Exchequer bills.

“That in case the said Exchequer bills be not issued for the full sum of £7,000,000, then the Commissioners of Her Majesty’s Treasury be authorised to issue Exchequer bonds, bearing interest at any rate not exceeding £4 per cent. per annum, to such an amount as, with the total amount for which Exchequer bills shall be issued, will make up the whole sum of £7,000,000, authorised to be raised by these resolutions.

“That such Exchequer bonds, if issued, shall be paid off at par at the expiration of any period not exceeding six years from the date of such bonds.

“That the interest of all such Exchequer bonds shall be payable half-yearly, and shall be charged upon and issued out of the Consolidated Fund of the United Kingdom, or the growing produce thereof.”

Mr. Gladstone did not see that they had any right to complain of the calculations of the Chancellor of the Exchequer. Then as to the means of meeting the expenditure, he did not see they ought to object to them. Undoubtedly, the house might be startled by the rapid increase in the unfunded debt, which only two years ago stood at £14,000,000, and which was now to be raised to £30,000,000. But he did not see that a more advisable mode of providing for the exigency could be adopted. He wished, however, to point out this fact, that while the tendency of our taxation was downwards, the tendency of our loans was upwards. He hoped that the right honourable gentleman would redress this inequality in the next budget by adding proportionally to the taxation of the country. He hoped the government would next year apply the succession duties to corporations.

The Chancellor of the Exchequer stated that the application of the succession duties had not escaped his attention, though he did not expect much from it. Neither had the proportion of taxation to loans been lost sight of by him.

Mr. Disraeli—It is not my intention, sir, on the present occasion, to make any remarks on the discrepancy between the right honourable gentleman’s estimates and the actual expenditure; nor do I think it convenient now to enter into any discussion as to the principles on which his financial system should be based. We have seen enough already to show us that the idea of being able to meet the expenses of the year, in a time of war, out of the revenue of the year, without borrowing, is rather a delusion. (Hear, hear.) Besides a loan of £16,000,000, we have already in this brief space increased our unfunded debt to the amount of £30,000,000; and in the face of these results, although I should be glad to hear from the right hon. gentleman that he felt sure of being able to meet the expenses of the year with the resources at his command, still what has occurred does not impress me favourably in that respect. I do not clearly understand how far the right hon. gentleman’s present position is compatible and consistent with the engagement which I believed he entered into when the loan of £16,000,000 was negotiated, not to borrow any money in the course of the present year. When the right hon. gentleman asked for that vote of credit of £3,000,000, which is now to be followed by an additional vote of £4,000,000, he told us that he did not expect to have to avail himself of that resource until the end of the month of December, and I am sure it would be satisfactory to the committee to hear from him an assurance, now that he sees his way clearly, with the resources at his command, to the end of the year, so as to be able to fulfil the engagement into which he entered with the contractors, without, at the same time, trenching upon the resources afforded to him by this vote of credit.

The Chancellor of the Exchequer—The precise promise made to the contractors was, that no additional loan of the same nature as the loan then made—by an addition to the funded debt—should be contracted until the end of the present year. An express reservation was made with regard to any foreign loans which might be brought into the market. It was also stated that Exchequer bills would be issued, and I believe the precise amount was mentioned, but, at the

same time, an intimation was held out that it would not be necessary to bring any large amount of Exchequer bills into the market before the end of the present year. That hope I still entertain. I do not anticipate that there will be any necessity, either with respect to the £3,000,000 before voted, or the £4,000,000 additional which we now ask for, to bring any great number of Exchequer bills into the open market until the month of December. I must not, however, be understood as distinctly engaging myself that, in case of necessity, the Government will not resort to that method of raising money. I only express my opinion, that probably it will not be necessary.

Mr. Disraeli—If the Government are satisfied that they have kept their engagements with the contractors I shall be the last to raise any objection. Though I am perfectly willing to believe that the right honourable gentlemen has fulfilled his engagement, still he must admit that there has been an idea entertained, and with considerable foundation too, that he had entered into a contract such as I have stated.

The Chancellor of the Exchequer—I wish to guard myself against the supposition that I entered into any loose or vague engagement. The answer I gave was carefully considered beforehand, after as precise a calculation of the wants of the Government and the means of borrowing money as the nature of the war would permit. I believe I have adhered most strictly to the understanding, and that I shall be able to observe it to the end of the year. It was distinctly intimated, however, that a case of necessity might arise, which would make it impossible for the Government to abstain from this mode of raising money, but that that case of necessity would not be allowed to affect the funded debt.

Mr. Glyn approved generally of the course pursued by the Chancellor of the Exchequer, but wished he had at first made his loan 20 millions, instead of 16 millions.

The resolutions were then agreed to, and the House resumed.

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## THE AFFAIRS OF MESSRS. STRAHAN, PAUL, AND CO.

### THE CRIMINAL PROCEEDINGS.

IN our last number we published the reports of the various examinations, at Bow-street, of Mr. Wm. Strahan, Sir J. Dean Paul, and Mr. R. Meakin Bates, on a charge of having fraudulently disposed of securities of the value of £22,000, which had been deposited with them by the Rev. Dr. Griffiths. It will be recollected that the prisoners stood remanded, in order to give time to those engaged on behalf of the prosecution to trace the missing securities.

On the 1st August the prisoners, who had remained in confinement at the House of Detention, were again placed at the bar, when Mr. Bodkin, in re-opening the case, said, that at the last examination he had expressed a hope that they would be able to complete the case that day. Difficulties, however, had been experienced in pursuing the inquiry which would render another remand necessary. He would not say that one of the prisoners had intentionally misled them as to what had been done with Dr. Griffiths's securities, but it was one of the difficulties which they had encountered in tracing the numbers of the bonds, which caused the inquiry to be so protracted. Since they had last met, however, it had been ascertained that some Danish stock for £2,000, which had been purchased in April, 1851, for Dr. Griffiths, and which was represented to have formed a portion of the stock which had been carried to Messrs. Overend and Gurney, had, as early as March, 1854, been deposited, with other bonds, for advances which had been made upon them, and that some of those bonds were paid into the house of Messrs. Smith, Payne and Co., on account of a Mr. Sykes. They had endeavoured to trace the hands through which the bonds passed, and they had learned that they had come from a gentleman named Beattie, who at present was

abroad, and would not return to this country until the first week or so in September. Therefore, to procure the attendance of that gentleman, he should have to ask for a further remand. He should show that the dividends upon the bonds in 1854, were paid to Strahan, Paul and Co., and that in Dr. Griffiths's pass-book the defendants gave the reverend gentleman credit for the September dividend, after the bonds had been paid into Messrs. Smith, Payne and Co.'s. He would also be able to show that in September, 1853, an advance was made upon a deposit of some Dutch stock, which, with others belonging to Dr. Griffiths, was said to have been recently taken to Messrs. Overend and Gurney. At the close of the evidence, he believed the magistrate would think they had used all reasonable expedition in conducting the case, and that there was nothing unreasonable in asking for a remand until Mr. Beattie returned, and for such other evidence as might be ascertained.

Mr. John Hill was then called, and said—I am of the firm of Sims, Hill, and Co., of Bartholomew-lane. On the 10th of April, 1851, I received directions from the house of Strahan, Paul, and Co., to purchase £2,000 Danish Bonds for the Rev. Dr. Griffiths. The purchase-note has been put in. I do not recollect exactly how the order came. They were purchased on the 10th April; deliverable on the 16th. There were two for £400 each, Nos. 426, 576; two for £300 each, Nos. 793, 794; and six at £100 each, Nos. 657, 659 to 663 inclusive. The cost was £2,037 10s., including commission.

Mr. Bodkin read an extract from Dr. Griffiths's pass-book, in which appeared an entry on the 16th of April, 1851, of the purchase of the bonds for the reverend gentleman.

Mr. William Lewington Sladden, clerk in the house of Messrs. Smith, Payne, and Co., said—I produce four Danish Bonds; they are for £100. They are numbered 659, 660, 661, 662, not 663. They were deposited at our bank in March, 1854, on account of Mr. Joseph Sykes, who is a customer at our house. We are in the habit of receiving dividends on bonds left at our house. In September, 1854, we received the dividends on those bonds for Mr. Sykes. They were deposited at our house by Barnett and Ellis, stock brokers, on account of Mr. Sykes.

Other witnesses were called, in order to trace the bonds.

Mr. Charles Peppercorn said—I am one of the partners who made a purchase of Dutch bonds on account of Dr. Griffiths. One of the bonds was numbered 3,348. They were sent to the house of Paul, Strahan, and Co. The cost of those bonds was £963. In Sept., 1853, we were employed by the house of the prisoners to raise money upon Dutch bonds. I received one communication from one of the partners—I can't tell which. The bonds left to be deposited for the loan were 200 for 1,000 florins each. I raised £5,000 upon a portion of the bonds from Messrs. Levy of the Royal Exchange, and I obtained another £5,000 upon the remaining portion of a gentleman named Soden—making, in all, £10,000, which was paid to Paul, Strahan, and Co. Amongst the bonds deposited with Messrs. Levy was one numbered 3,348.

Mr. Ballantine then addressed the court on behalf of Sir J. D. Paul and Mr. Strahan, and seeing the indefinite period that the remands must extend to, in order to procure the attendance of Mr. Beattie, asked the bench either to commit the defendants for trial, when they could go before a judge for bail, or for the magistrate to exercise that right himself and do so.

Mr. Parry made a similar appeal on behalf of Mr. Bates.

Mr. Jardine said the case was full of difficulties, and if the defendants were admitted to bail, they with their bail would have to come up every week, in order that it might be properly accepted. The prosecutors would consider what advantage they would obtain considering the character of the offence charged against the prisoners, which, although a misdemeanour, rendered them liable to transportation. The amount of bail he would be induced to take would be, for each prisoner £6,000 for himself, and two sureties of £3,000 each, and to give 48 hours' notice of bail to the prosecutors.

The prisoners were taken back to the House of Detention.

On the 2nd of August, Mr. Strahan was again brought up, for the purpose of putting in bail—the sureties offering themselves being Mr. Beadon, one of the

metropolitan magistrates, a connection of the family, and Dr. Gordon, of Burford Lodge, Dorking, each of whom entered into the required recognizances of £3,000, and Mr. Strahan having also entered into his own personal recognizances in £6,000, left the Court accompanied by his friends.

On the 8th of August, the accused were again brought up, and were formally remanded for another week, without any further investigation being gone into.

When the prisoners were placed at the bar on the 15th of August, Mr. Humphries, who appeared to prosecute, stated that, when the case was last gone into, Mr. Peppercorn, a stockbroker in the City, deposed to the number of one of the Dutch bonds upon which he had negotiated a loan for the prisoners for £5,000, being 3,348. They had since succeeded in tracing that bond to Messrs. Coutts; and, although it was understood that this would only be a nominal remand, yet he felt it only right that the prisoners should be put in possession of what had been elicited, and that they should hear the evidence.

Mr. Wildey, clerk to Messrs. Coutts, said—I produce two Two and a-Half per Cent. Dutch bonds for 1,000 guilders each. They are numbered 3,348 and 5,124. They were received by Messrs. Coutts, on the 12th of September, 1853, from Capron and Co., of Throgmorton-street, who purchased them for a customer of our house. Messrs. Coutts now hold those bonds for the customer for whom they were sent. They formed part of a parcel of 78,000 guilders which was purchased.

The prisoners were then again remanded.

Mr. Holt, the solicitor for Mr. Bates, said he was prepared to put in bail for his client. They were Mr. James Anderton, of 20, New Bridge-street, Blackfriars; and Mr. Wm. Bates, of Cambridge-square, and of Liverpool, merchant.

The bail were then asked the usual questions and accepted, and Mr. Bates was released from custody; Mr. Strahan's bail was also continued; Sir John Paul returning to the House of Detention.

On the 24th August, Sir J. D. Paul was brought up to be admitted to bail. The names of the gentlemen tendered as bail were Mr. Thomas Graham, of Reading, and Mitre-court-chambers, Temple; and Mr. John Woodhall, coach-builder, of 28, Orchard-street, Portman-square. The usual formal questions having been put to the bail, they were bound over in 3,000*l.* each, and Sir John Paul, having entered into his personal recognizances for 6,000*l.* was set at liberty, and left the court with his friends.

#### THE PROCEEDINGS IN BANKRUPTCY.

On the 26th of July, Messrs. Strahan, Paul and Bates, appeared, in the absence of Mr. Commissioner Evans, before Mr. Commissioner Fane, on their final examination. The bankrupts had been brought from the House of Detention by an order of the court, but they did not appear before the Commissioner. Some time having been occupied in putting in proofs,

Mr. Lawrence, the solicitor for the estate, said that he had to ask the court to adjourn the examination of the bankrupts until the 9th of October. The balance-sheet was in course of preparation, but in consequence of the detention of the bankrupts, they had not been able to have that assistance in making it out which could have been desired. The assignees, however, hoped that it would be completed in time to afford the creditors ample opportunity of referring to it before the next examination. On the same 9th of October, he proposed to hold a sitting for an audit under the joint and separate estate of the bankrupts, and any creditor who might object to the items would have an opportunity of stating his objection. On the 12th of October he also proposed to take a sitting for the declaration of a dividend, both under the joint and separate estate. At present he could not state what would be the amount of dividend, but it was thought prudent then to declare one for a two-fold reason—first, as an inducement for outstanding creditors to come in and prove their debts; and next, that a dividend would no doubt be acceptable to the general body of creditors. The bankrupts were in the vicinity of the court, but at present, for obvious reasons, he did not intend to put any questions to them; and, as there was no objection offered to the course which he proposed, he begged that the examination might be adjourned to the period he had stated.

His Honour inquired the amount of the proofs at present put in.

Mr. Lawrence said they were under £300,000. The amounts proved to-day were between £40,000 and £50,000. The gross amount of liabilities of every kind were about £680,000.

Mr. Colombine said he appeared for Capt. Morris, an officer in the royal navy, who was anxious to obtain his honour's assistance in procuring information as to what had become of some Dutch stock for 9,000 guilders, which he had deposited with the bankrupts. At present his client did not know what had become of the property—whether it had been sold, or was in existence, and would go to the benefit of the general estate; and what he had to ask his honour was, whether the official assignee would allow him to go over the books, with a view of ascertaining what had become of the bonds.

Mr. Lawrence said there were two sources from which the creditor might obtain information. There was first the account which the bankrupts put in at the former examination, and then there were the books; but the creditor must put himself in the position of proving.

His Honour thought the matter had better be left to the discretion of the solicitor who had been appointed to act by the assignees.

Mr. Sturgeon said he had an application to make on behalf of Miss Amelia Stevens. He wished to put some questions to the bankrupts with respect to some securities which she had deposited with them. To her it was a matter of great importance to learn what had become of them.

His Honour suggested that the matter had better be left to the gentleman who was acting for the creditors generally. At present he thought it would be indiscreet in him to examine the bankrupts on that point.

Mr. Lawrence said, at the present stage of the proceedings, he must resist any questions being put to or examination of the bankrupts.

Mr. Sturgeon thought it would be for the advantage of the estate generally that he should put some questions to the bankrupts. He was not desirous that they should be examined publicly; privately would answer all that he desired.

His Honour said he could not substitute the discretion of the learned counsel for that of the body of creditors. At the present stage of the proceedings he would not grant a public or private examination. They could not do better than leave the matter in the hands of the legal gentleman who was acting for the assignees and the estate.

The examination was accordingly adjourned till the 9th of October. The bankrupts were taken back to the House of Detention.

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## **Banking and Commercial Law.**

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### **THE NEW LAW OF LIMITED LIABILITY.**

THE first impression made on a party who seeks to obtain the benefit of the new law will probably be that of deep disappointment. Instead of finding that a joint-stock company can be established by some new, simple, and cheap process, it will be found that, in these respects there has been no change whatever in the law. The same old, complicated, costly, and, in many instances, useless proceedings, are preserved. Everything that was required to be done by the Joint-Stock Companies Registration Act, must still be done, and something more. The new law is a mere supplement to the old law. Its changes will chiefly affect companies at the two periods of commencing and of terminating their labours. The attraction of a limited liability will draw people



to join a concern when it is started, and the existence of that limited liability will protect them from ruin, when the same company is broken up. But, as regards the period during which a company is carrying on a prosperous business, the new law can have no effect. Whence, then, have sprung the great anticipations which the prospect of obtaining the law has engendered? A successful company is a profit, and not a liability, to its shareholders. It can never require protection of this kind until it becomes unsuccessful. It is said that a vast amount of capital will be diffused for the public benefit; but people do not embark their capital in order to lose it, and then congratulate themselves that they have not lost all they had, and that their loss has been confined to what they so embarked. The prospect of gain, and not of loss, tempts people to embark capital, whether in large or small amounts.

Regarded, therefore, either as a simplification and cheapening of the law, or as an inducement to capitalists to join new concerns, we think none of the expectations which the public have indulged in will be realised.

The true advantage that will be gained will be in the operation of the new law when the company is ruined—that period which is little contemplated by promoters on establishing, or shareholders on joining, companies—that period when, perhaps, the first generation of schemers have passed away, and the shares have become property, or apparent property, in the hands of others, and when, amidst the surprise and distress caused by the loss of the property embarked in the company, there was the more fearful fact to contemplate that the responsibility of the shareholder was unlimited, and that, however long his purse or broad his lands might be, they could not satisfy the demands to which he was liable.

The act is short. Any attempt to detail its features may cause confusion, and we therefore give it entire :—

*An Act for Limiting the Liability of Members of certain Joint-Stock Companies.*—14th August, 1855.

Whereas it is expedient to enable members of joint-stock companies to limit the liability for the debts and engagements of such companies to which they are now subject: Be it therefore enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :—

I. Any joint-stock company to be formed under the act of the eighth year of Her Majesty, chapter one hundred and ten (other than an assurance company), with a capital to be divided into shares of a nominal value not less than ten pounds each, may obtain a certificate of complete registration with limited liability upon complying with the conditions following, in addition to doing all other matters and things now required in order to obtain a certificate of complete registration; that is to say :—

- (1.) The promoters shall state on their returns to the office for provisional registration that such company is proposed to be formed with limited liability :
- (2.) The word "Limited" shall be the last word of the name of the company :
- (3.) The deed of settlement shall contain a statement to the effect that the company is formed with limited liability.
- (4.) The deed of settlement shall be executed by shareholders, not less than twenty-five in number, holding shares to the amount in the aggregate of at least three fourths of the nominal capital of the company, and there shall have been paid up by each of such shareholders, on account of his shares, not less than twenty pounds per centum.
- (5.) The payment of the above per-centage shall be acknowledged in or indorsed on the deed of settlement, and the fact of the same having been *bonâ fide* so paid shall be verified by a declaration of the promoters, or any two of them, made in pursuance of the act made in the sixth year of the reign of His late Majesty King William the Fourth, chapter sixty-two.

And upon such conditions being complied with, and such other matters and things done, the Registrar of Joint-Stock Companies shall grant a certificate of complete registration with limited liability to such company.

II. Any joint-stock company, except as aforesaid, now or hereafter completely registered under the said act of the eighth year of Her Majesty, may obtain a certificate of complete registration with limited liability, in manner and subject to the condition following ; that is to say :—

The directors of such company may, with the consent of at least three-fourths in number and value of its shareholders who may be present, personally or by proxy, at any general meeting summoned for that purpose, make such alteration in the name, nominal value of shares, and deed of settlement of the company, as may be necessary for enabling it to comply with the conditions hereinbefore mentioned with respect to joint-stock companies seeking to obtain certificates of complete registration with limited liability ; and upon compliance with such conditions, the registrar, after the affairs of the company shall at the expense of the company have been audited by some person appointed by the Board of Trade, and on certificate from the said Board that the complete solvency thereof has been established on such audit to its satisfaction, shall grant to such company, by its new name, a certificate of complete registration with limited liability, and thereupon all privileges and obligations hereby attached to companies with limited liability, their shareholders, directors, and officers, shall attach to the company named in such certificate, its shareholders, directors, and officers.

III. Any joint-stock company, except as aforesaid constituted, under any private act of Parliament, whereof it shall be proved to the satisfaction of the Board of Trade, after the affairs of the company shall, at the expense of the company, have been audited by some person appointed by the Board of Trade, that the said company is perfectly solvent, and that not less than 20 per centum of three-fourths of the nominal capital of such company has been paid up, may obtain a certificate of complete registration with limited liability, in manner and subject to the condition following ; that is to say :—

The directors of such company may, with the consent of at least three-fourths in number and value of its shareholders who may be present, personally or by proxy, at any general meeting summoned for that purpose, make such alteration in the name and nominal value of shares as may be necessary for enabling it to comply with the condition in

that behalf hereinbefore mentioned, with respect to joint-stock companies seeking to obtain certificates of complete registration with limited liability; and upon compliance with such condition, the registrar, on receipt of a certificate of the solvency of the company, and of the payment of capital as before mentioned, shall grant to such company, by its new name, a certificate of complete registration, with limited liability; and thereupon all privileges and obligations hereby attached to companies with limited liability, their shareholders, directors and officers, shall attach to the company named in such certificate, its shareholders, directors and officers.

IV. Every company that has obtained a certificate of complete registration with limited liability, shall paint or affix, and shall keep painted or affixed, its name on the outside of every office or place in which the business of the company is carried on, in a conspicuous position, in letters easily legible, and shall have its name engraven in legible characters on its seal, and shall have its name mentioned in legible characters in all notices, advertisements, and other official publications of such company, and in all bills of exchange, promissory notes, cheques, orders for money, bills of parcels, invoices, receipts, letters, and other writings used in the transaction of the business of the company.

V. If such company do not paint or affix, and keep painted or affixed, its name, in the manner aforesaid, each of the directors thereof shall be liable to a penalty not exceeding five pounds, for not so painting or affixing its name, and for every day during which such name is not so kept painted or affixed; and if any director or other officer of the company, or any person on its behalf, use any seal, purporting to be a seal of the company, whereon its name is not so engraven as aforesaid, or issue or authorise the issue of any notice, advertisement, or other official publication of such company, or of any bill of exchange, promissory note, cheque, order for money, bill of parcels, invoice, receipt, letter, and other writing used in the transaction of the business of the company, wherein its name is not mentioned in the manner aforesaid, he shall be liable to a penalty of fifty pounds, and shall further be personally liable to the holder of any such bill of exchange, promissory note, cheque, or order for money, for the amount thereof, unless the same shall be duly paid by the company.

VI. No increase to be made in the nominal capital of any company that has obtained a certificate of complete registration with limited liability shall be advertised or otherwise treated as part of the capital of such company, until it has been registered with the Registrar of Joint-Stock Companies; and no such registration shall be made unless a deed is produced to the registrar, executed by shareholders holding shares of the nominal value of not less than ten pounds to the amount in the aggregate of at least three-fourths of the proposed increased capital of the company, nor unless it is proved to the registrar, by such acknowledgment and declaration as hereinafter mentioned, that upon each of such shares there has been paid up by the holder thereof an amount of not less than twenty pounds per centum; and if any such increase of capital as aforesaid be advertised or otherwise treated as part of the capital of the company before the same has been so registered, every director of such company shall incur a penalty of fifty pounds; and the payment of the above per centage shall be acknowledged in or indorsed on the deed so produced, and the fact of the same having been *bonâ fide* so paid, shall be verified by a declaration of the directors, or any two of them, made in pursuance of the said act made in the sixth year of the reign of His late Majesty King William the Fourth, chapter sixty-two.

VII. The members of a joint-stock company which has so obtained a

certificate of complete registration with limited liability, after such certificate is granted, notwithstanding the provisions contained in the said act of the eighth year of Her present Majesty, shall not be liable, under any judgment, decree, or order which shall be obtained against such company, or for any debt or engagement of such company, further or otherwise than is hereinafter provided.

VIII. If any execution, sequestration, or other process in the nature of execution, either at law or in equity, shall have been issued against the property or effects of the company, and if there cannot be found sufficient whereon to levy or enforce such execution, sequestration, or other process, then such execution, sequestration, or other process, may be issued against any of the shareholders to the extent of the portions of their shares respectively in the capital of the company not then paid up, but no shareholder shall be liable to pay in satisfaction of any one or more such execution, sequestration, or other process, a greater sum than shall be equal to the portion of his shares not paid up: provided always, that no such execution shall issue against any shareholder except upon an order of the Court, or of a judge of the Court, in which the action, suit, or other proceeding shall have been brought or instituted, and such Court or judge may order execution to issue accordingly, with the reasonable costs of such application, and execution, to be taxed by a master of the said Court; and for the purpose of ascertaining the names of the shareholders, and the amount of capital remaining to be paid upon their respective shares, it shall be lawful for any person entitled to any such execution, at all reasonable times, to inspect the register of shareholders without fee.

IX. If the directors of any such company shall declare and pay any dividend when the company is known by them to be insolvent, or any dividend the payment of which would to their knowledge render it insolvent, they shall be jointly and severally liable for all the debts of the company then existing, and for all that shall be thereafter contracted, so long as they shall respectively continue in office; provided that the amount for which they shall all be so liable shall not exceed the amount of such dividend, and that if any of the directors shall be absent at the time of making the dividend, or shall object thereto, and shall file their objection in writing with the clerk of the company, they shall be exempted from the said liability.

X. No note or obligation given by any shareholder to the company whereof he is a shareholder, whether secured by any pledge or otherwise, shall be considered as payment of any money due from him on any share held by him, and no loan of money shall be made by any such company to any shareholder therein; and if any such loan shall be made to a shareholder, the directors who shall make it, or who shall assent thereto, shall be jointly and severally liable to the extent of such loan, and interest for all the debts of the company contracted before the repayment of the sum so lent.

XI. Where any company completely registered under the said act of the eighth year of Her present Majesty, or any company constituted under any act of Parliament, shall obtain a certificate of complete registration with limited liability, the grant of such certificate shall not prejudice or affect any right which previously to the grant of such certificate has accrued to any creditor or other person against the company in its corporate capacity, or against any person then being or having been a member of such company, but every such creditor or other person shall be entitled to all such remedies against the company in its corporate capacity, and against every person then being or having been a member of such company, as he would have been entitled to in case such certificate had not been obtained.

XII. No alteration made by virtue of this act in the name of any company shall prejudice or affect any right which previously to such alteration has accrued to such company as against any other company or person, or which has accrued to any other company or person as against such company, but every such company as against any other company or person, and every other company or person as against such company and the members thereof, shall be entitled to all such remedies as they or he would have been entitled to if no such alteration had been made; and no such alteration shall abate or render defective any legal proceeding pending at the time when such alteration is made.

XIII. In the case of any company which has obtained a certificate of limited liability, whenever, on taking the yearly accounts of such company, or by any report of the auditors thereof, it appears that three-fourths of the subscribed capital stock of the company has been lost, or has become unavailable in the course of trade, from the insolvency of shareholders, or from any other cause, the trading and business of such company shall forthwith cease, or shall be carried on for the sole purpose of winding up its affairs; and the directors of such company shall forthwith take proper steps for the dissolution of such company, and for the winding up of its affairs, either by petition to the Court of Chancery, or by the exercise of the powers of the deed of settlement, or by such other lawful course as they may think most fit.

XIV. In cases where a certificate of registration with limited liability has been obtained, when one auditor only shall have been appointed under the thirty-eighth section of the act of the eighth of Victoria, chapter one hundred and ten, that single auditor, and when two or more such auditors shall have been so appointed, then one of such auditors, shall be subject to the approval of the Board of Trade, and such board, in case the auditor submitted to them for approval shall for any reason appear unfit or objectionable, shall appoint another in his place.

XV. Every pecuniary penalty imposed in pursuance of this act shall be deemed a debt due to the Crown, and shall be recoverable accordingly.

XVI. This act shall, so far as is consistent with the contents and subject matter thereof, be taken as part of and construed with the said act of the eighth year of Her present Majesty, chapter one hundred and ten, and the act of the eleventh year of Her Majesty, chapter seventy-eight, and all the provisions of the said acts, save in so far as they are varied by this act, shall apply to persons and companies applying for or obtaining a certificate of complete registration with limited liability.

XVII. The provisions of the act of the eighth year of Her present Majesty, chapter one hundred and eleven, and of the Joint-Stock Companies Winding-up Act, 1848, and of the Joint-Stock Companies Winding-up Amendment Act, 1849, shall apply to persons and companies obtaining a certificate of complete registration with limited liability, subject only to such variations as may be occasioned by the provisions of this act.

XVIII. This act shall not apply to Scotland.

XIX. This act may be cited for all purposes as "*The Limited Liability Act, 1855.*"

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## Legal Miscellany.

WITHINGTON AND OTHERS v. JOLLIFFE.

STRAHAN, PAUL, AND Co.—Mr. Bovill, Q.C., and Mr. Hawkins, were counsel for the plaintiffs; Mr. Bramwell, Q.C., and Mr. G. Denman, were for the defendant.

The plaintiffs in this action were silk and lace mercers in Pall-mall, and the defendant was Sir William Jolliffe. The action was brought to recover the amount of a cheque for £54, that was given by the defendant upon the bank of Strahan, Paul, and Co., under the following circumstances:—It appeared that the wife of the defendant had purchased some articles at the plaintiff's establishment a short time prior to the 8th of June, and on the afternoon of that day Sir William went to the shop and gave a cheque for £54 upon his bankers, Messrs. Strahan and Co., in payment of the bill. The cheque was paid on the following morning to Messrs. Glyn and Co., and, according to their custom with west-end banks, who do not use the clearing-house, the cheque was not presented on the same day, and, Sunday intervening, it was not presented at the banking-house of Strahan and Co. until the following day, when the house stopped payment, and the cheque was consequently returned to the plaintiffs. The present action was brought to recover the amount, the defence being that the cheque had not been presented within a reasonable time.

A clerk in the service of the plaintiffs was called to prove the circumstances under which the cheque was given, and he stated that when Sir William Jolliffe wrote it he appeared to be in a hurry, and not to have time to wait for a receipt, and that he in consequence told him that he should cross the cheque, and he made no objection to his doing so. He said that when this occurred it was nearly four o'clock, and it was impossible to pay the cheque to their bankers, Glyn and Co., on that day, as they closed at four o'clock.

Mr. Mitchell, one of the cashiers of Glyn and Co., proved the receipt of the cheque in question, with others, on Saturday morning, the 9th of June, and said that it was presented in due course on Monday morning, the 11th. At that time the bank of Strahan and Co. had stopped payment.

Mr. Bramwell submitted, that, upon this evidence, there was nothing to go to the jury, and that the plaintiffs were not entitled to recover, on account of their not having presented the cheque within a reasonable time for payment after they had received it. He referred to the case of "*Alexander v. Maire*," in which it was distinctly laid down, that a cheque ought not, under ordinary circumstances, to be presented for payment later than the day following its receipt; and he said that if that course had been taken by the plaintiffs, they would have got their money, as it was notorious that the bank of Strahan and Co. honoured all the cheques that were presented on the Saturday. With regard to the crossing of the cheque, and the custom among bankers consequent upon that operation, he submitted that the defendant was no party to the proceeding, and that he was in no wise responsible for the effect of it.

Mr. Bovill argued that what was a reasonable time for the presentation of a cheque could only be gathered from all the circumstances connected with the transaction, and that no unreasonable or unnecessary delay had taken place in the presentation of the cheque. He also urged that there ought, at all events, to have been some direct evidence that the bank of Strahan and Co. did really pay cheques presented on the Saturday, if any reliance was to be placed upon that fact.

Mr. Justice Cresswell said that, as it appeared to him that the question was one purely of law, he should not take the opinion of the jury upon it, but should direct them to find a verdict for the defendant upon his present view of the case, which was that the plaintiff could not recover.

Leave was, however, given, to move for a verdict to be entered for the plaintiff, if the Court above, upon considering all the facts, should be of opinion that the evidence established his right to recover in the present action.

## Reports of Joint-Stock Banks.

### LONDON AND COUNTY JOINT-STOCK BANK.

*No. 21, Lombard-street, 2nd August, 1855.*

SIR,—I have the pleasure to inform you that the directors have declared a dividend for the past half-year, on the capital stock of the company, at the rate of 10 per cent. per annum (free from income tax), payable at the head office, or at any of the company's branch banks, on and after Monday, the 13th instant.

I beg to forward a statement of the affairs of the bank for the half-year ending 30th June, 1855, and remain,

Yours, &c.,

HENRY LUARD, *General Manager.*

#### *Balance-sheet of the London and County Banking Company, 30th June, 1855.*

<i>Dr.</i> —To Capital	...	...	...	...	£466,332	10	0
Reserve fund	...	...	...	...	103,719	14	4
Customers' balances, &c.	...	...	...	...	4,012,223	14	10
Net profit for the half-year, after payment of £26,524							
6s. 11d. for interest to customers	...	...	...	...	34,894	9	7
					£4,617,170	8	9
<i>Cr.</i> —By cash in hand and at call, Government and other securities, discounted bills, &c.	...	...	...	...	£4,587,830	7	5
Bank premises, freehold and leasehold, trade fixtures, &c.	...	...	...	...	29,340	1	4
					£4,617,170	8	9

#### *Profit and Loss Account.*

<i>Dr.</i> —To half-year's dividend at 10 per cent. per annum	...	...	£21,201	8	5
Balance carried to profit and loss, new account	...	...	13,693	1	2
			£34,894	9	7
<i>Cr.</i> —By net profit for the half-year	...	...	£34,894	9	7

We, the undersigned, have examined the foregoing balance-sheet, and

compared the items it comprises with the several books and vouchers relating thereto, and have found the same to be correct.

(Signed)

HENRY OVERTON, }  
JOHN WRIGHT, } *Auditors.*

*London and County Bank, July 26th, 1855.*

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#### MELBOURNE, SYDNEY, AND ADELAIDE CHARTERED BANK.

At a meeting of the Melbourne, Sydney, and Adelaide Chartered Banking Company, held on the 24th of July, Mr. M'Gregor, M.P., in the chair, it was resolved to appoint a committee of investigation, previously to considering the future course to be pursued. It appears that, although the undertaking has been in existence more than three years, having originally been started as the Australian Banking and Gold Importing Company, this is the first regular meeting that has taken place. On a subscribed capital of £9,843, an expenditure (including pending claims) to the amount of £13,000 has been incurred, the outstanding liabilities being about £4,000. Some contingent assets exist, but, although nominally valued at £2,000, it is questioned whether they will realise that amount. As affairs at present stand, it is estimated that, if it be determined to wind up, a call of 7s. 6d. per share will be requisite. A long discussion arose in connection with the position of parties who have purchased the scrip of the original company, but who repudiate the proceedings of the directors under the amended title. It is also considered that a transaction involving a temporary advance from the bankers of £20,000, which, it is stated, formed the basis of an announcement in the prospectus, that half the amount of capital had been paid up, must be inquired into, since some of the shareholders allege that on the faith of it they entered into the company. The measures adopted for obtaining a local act in Sydney, the preliminary consent of the South Australian Government, and the refusal of the Royal assent to the colonial charter, were the points referred to by the directors as showing the nature of their exertions, which they say they have continued to the latest moment for the benefit of the shareholders.

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#### HALIFAX COMMERCIAL BANKING COMPANY.

THE nineteenth annual general meeting of the proprietors of this bank was held on the 27th of July, Mr. Rawdon Briggs in the chair, when the following report was unanimously adopted:—

"As usual at the close of each financial year, the directors of the bank have requested the attendance of the shareholders, to receive their yearly report, and for the transaction of other general and such special business as has been duly notified. Notwithstanding the comparative depression of some branches of the trade of this district during a portion of the year, and the altered condition of the money market within the last quarter, and although some loss has been sustained in consequence of failures, and depreciation of a security which twelve months ago was considered ample, yet the result of the year's operations is highly satisfactory. Thirty-five shares having been cancelled since the last annual meeting, the shareholders' capital is now £62,150, and the net earnings have amounted to £9,885 10s. 4d. From this a sum of £175 has been taken, to discharge the premium allowed upon cancelled stock, and £1,000 has been transferred to the bad debt fund. The remainder (£8,710 10s. 4d.) is the clear balance of



profit now placed at your disposal. During the last year, the bad debt fund has received also an unexpected addition of £837 17s. 9d., of which your directors are bound to make special and honourable mention. This amount had been entered some years ago, as the ultimate loss sustained by the bank through the failure of a firm here, the senior partner in which has lately realised from his private assets a sum considerably exceeding the estimate upon which the settlement with their creditors had been effected. He has now, therefore, though wholly released from further liability, gratuitously and most honourably discharged, not merely what might be considered his individual proportion, but the whole of the balance left unpaid by his late firm. Of the profit now disposable, it is recommended that £6,215 be appropriated to a dividend of 10 per cent., clear of income tax; that £1,700 be added to the reserved surplus fund (which will then amount to £10,000); and that the residue, £795 15s. 4d., be transferred to the contingent account, as provision for income tax and incidental expenses. Any proprietors who may be entitled to a return of their proportion of the tax paid by the company, will receive the requisite certificate on application at the bank. Your directors are not unmindful that the period is at hand when it will be competent for the Legislature to introduce changes which may materially affect the banking interest generally. For gold being now, and likely to continue, a regular colonial production, constantly imported as merchandise, in addition to occasional large supplies from other new sources—yet still governing, as heretofore, the issues of the Bank of England, without reference to the ordinary requirements and fluctuations of trade—it would seem only probable that the question of the propriety of continuing the bank charter on its present footing will gradually force itself upon public attention. The Government may, therefore, ere long, find it expedient to propose that the House of Commons shall exercise the power vested in them by the 27th clause of the charter, in which case it is hardly to be expected that country banks of issue will escape interference. But, whatever changes may result, the note circulation of this company, as limited by law, being comparatively insignificant in amount, its interests as a bank of issue will not be greatly affected. And it is to be hoped that, eventually, both the issues and the circulation of the Bank of England may be based upon principles more really practicable, and better calculated to meet the varying requirements of the country—thus preventing undue fluctuations in the relative value of money—than are those contained in the provisions of its present charter. In the meantime the various branches of this increasingly important subject will receive the continued attention of your directors."

The dividend of £1 per share and the report having been, as usual, adopted, it was resolved, in special meeting, to acknowledge the faithful services of Mr. Hardcastle, on his approaching retirement from the active duties of the establishment, to allow him annually the sum of £200 out of the fund for contingencies.

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#### UNION BANK OF AUSTRALIA.

THE annual meeting of proprietors in this company was held at its offices, 38, Old Broad-street, on the 23rd of July, for the purpose of receiving the report of the directors, and transacting the ordinary business, Mr. J. J. Cummins presiding.

The report submitted was as follows:—

"The accounts now presented of the bank's transactions during the past year afford evidence that the principle of restriction, which the directors nearly two years since deliberately determined to adopt, has been prudently and

judiciously carried out by the inspector and managers. It is at the same time very satisfactory to the directors to know, that while the bank has abstained from competing for new and, as they believe, hazardous business, the convenience of all its well-established and respectable customers has been fully and liberally met; and it is equally gratifying to them to be able now to report that, amongst the colonial failures which have taken place during the past year, those transacting business with the bank have been very few indeed. Of the large amount reported at the general meeting in January last to have been set apart, as a protection against future losses, only a small sum, say £6,185 2s. 3d., has been required to be written off as bad; and the estimate of loss upon doubtful assets remaining open at 31st December last, if proved to be ultimately bad, would still leave the greater part of that reserve unexhausted in the hands of the bank. The advices received since the close of the year now reported on are, on the whole, very encouraging, both as to the improving state of business generally, the progress of agricultural and other interests, and the future productiveness of the gold fields; and the directors do not hesitate to state their conviction, that, notwithstanding any temporary checks which overstocked markets may at times produce, the Australian colonies are steadily and rapidly advancing in wealth and importance. Messrs. Robert Carter and Thomas Young retire from the direction by rotation, in accordance with the provisions of the deed, and now offer themselves for re-election. No changes in the bank's establishment requiring notice have taken place during the past year, and no new branches have been opened. The directors proceed to submit the statement of accounts, presenting an amount of profit for the year now reported on, of £238,459 8s. 2d., out of which £123,000 was paid at Christmas, and £49 8s. 8d. carried to the rest of undivided profit, leaving £115,409 19s. 6d. profit on the half-year. The directors have determined to apply the sum of £123,000, as interest, at the rate of fifteen per cent. (equal to thirty per cent. per annum), on the amount paid up in respect of each share in the capital of the company. This will effect a reduction of £7,540 11s. 10d. from the undivided balance remaining in the hands of the bank, as rest, after payment of the last Midsummer dividend. The directors are induced to do this, in consequence of the large amount put by for future bad debts out of the profits of the year now reported on. They think it right also to state, that the profits of the year have been diminished by the unusually large deduction of £12,888 14s. 8d. for income-tax. The dividend will be payable in London, free of income tax, on Tuesday, the 7th of August; and in the colonies, with the addition of income tax, as soon as the inspector shall fix after receipt of advices."

The report concluded with the following statement of liabilities and assets, at the branches on the 31st December, 1854, and at the London office on 30th June, 1855:—

**LIABILITIES.**

Circulation	...	...	...	...	...	£527,367	0	0
Deposits	...	...	...	...	...	3,093,346	12	0
Bills payable and other liabilities	...	...	...	...	...	322,764	10	0
Balance of undivided profit	...	...	...	...	...	131,295	19	5
Reserve fund	...	...	...	£200,000	0	0		
Paid-up capital	...	...	...	820,000	0	0		
						<hr/>		
						1,020,000	0	0
						<hr/>		
						£5,094,774	1	5
						<hr/>		

## ASSETS.

Specie on hand and cash balances	£1,330,764	16	2		
Bullion ... ..	32,206	4	3		
				1,362,971	0 5
Bank premises and other property	...	...	...	40,820	14 0
Bills receivable, Government stock, and other securities	3,490,982	7	0		
Investment of reserve fund (3 per Cents.)	...	...	...	200,000	0 0
				£5,094,774	1 5

*Statement of Profits.*

Balance of undivided profit at June, 1854	...	...	£147,036	11	3
To which are now to be added the profits of the past year, ending at the branches 31st December, 1854, and at the London office 30th June, 1855, viz. :—					
For half-year as reported in January, 1855	...	...	£123,049	8	8
Ditto, now reported	...	...	115,409	19	6
				238,459	8 2
				£385,495	19 5
Deduct amount of interest paid at Midsummer, 1854	...	...	£131,200	0	0
Ditto at Christmas, 1854	...	...	123,000	0	0
				254,200	0 0
Balance of undivided profit at this date	...	...	£131,295	19	5

*Reserve Fund.*

As reported at June, 1854	...	...	...	£200,000	0 0
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The Chairman, in remarking upon the report, explained the reasons which had induced the directors to adopt a resolution for breaking into the rest, in order to enable them to recommend the same rate of dividend as had been declared for the previous six months. The real amount of the profit last year was much larger than the amount divided during the year, because they had thought it right to make a large deduction in consequence of the commercial state of the colonies; but they had since found that they did not require so large a sum to meet probable bad debts, and the greater part of the reserve fund was still at their disposal, and so they had resolved to draw from it a sum equal to the excess of income tax, the growth of which would probably surprise proprietors. In 1851 they had paid under that head £2,125; in 1851-2, £2,432; in 1852-3, £5,660; and in the year 1853-4, £12,882; and to meet the last amount the directors had resolved to draw from the reserve £7,540, for the nominal benefit of the proprietors, as by so doing they would be enabled to declare the former dividend of 15 per cent. for the half year. Their accounts from Australia came down to the 19th of April, and were very favourable to the prospects of the bank. He did not himself look with any apprehension to the quantities of goods which had been thrown upon the markets there, the result of which was that the colonists had got articles cheaper; and though speculators had been injured, the permanent trade of the colony had not suffered. (Hear, hear.) And then, not only in Australia, but also in Van Diemen's Land, and to a great extent in New Zealand, the state of agriculture led the directors to believe that there was before those colonies a steady pros-

pect of advancement. (Hear, hear.) The profits of the bank must of course be governed in a great measure by those of other establishments; but he believed that banking, prudently conducted, was yet open to a very large degree of success. Their own aim would be to encourage competition only so far as might be for the good of their customers, as their first duty was to protect the interests of their proprietors. (Hear.)

The Chairman having replied to one or two unimportant questions,

Mr. Silver moved the adoption of the report.

The motion having been seconded, was agreed to *nem. con.*, and the retiring directors, Messrs. Robert Carter and T. Young, were re-elected without opposition.

A vote of thanks to the chairman and directors having been adopted upon the motion of Mr. Cooper,

The Chairman returned thanks, repeating his assurance that the step taken in touching the reserve fund was in conformity with the interests of the proprietary, and said that, so far from touching the rest in an unjustifiable manner, the caution of the directors would be rather on the other side. Each year should tell its own tale fairly and candidly to the proprietors.

The proceedings then ended.

#### LIVERPOOL BOROUGH BANK.

THE nineteenth annual general meeting of this bank was held at Liverpool, on the 31st July, Mr. W. Rathbone in the chair, when the following report was adopted:—

In conformity with the deed of settlement, the directors submit to the proprietors the following statement of their affairs:—

According to the last report, the paid-up capital of the bank was £750,000, and the reserve fund ... £105,420 8 5  
Since that date, a call of £1 per share upon the new shares has been paid, making the capital at the present time, £800,000.

The net profits of the past year, after payment of all expenses of management, and making a full allowance for all bad and doubtful debts, which the directors regret to state have been very heavy, amount to ... ..	£26,209 13 10	
Less the income tax paid by the bank ... ..	2,865 9 0	
		23,344 4 10
		£128,764 13 3

From this amount, two half-yearly dividends have been paid, at the rate of 7 per cent. upon the paid-up capital, together ... ..

	54,250 0 0
Leaving the reserve fund on the 30th ult. ... ..	£74,514 13 3

In submitting the foregoing statement of the working of the bank for the past year, the directors have the satisfaction of assuring the proprietors that, notwithstanding the heavy losses sustained during this period, the present sound position and the future prospects of the bank justified the maintenance of the dividend at 7 per cent., and they have therefore, as authorised by the 98th clause of the deed of settlement, appropriated a portion of the reserve fund for that purpose. The banking-house is now nearly completed, and, in future, the annual meetings of the shareholders

will be held on their own premises; the directors hope to be in possession of them by the month of September. They will then have commodious offices for the conduct of the business, the want of which has long been seriously felt. The cost of the building, with the necessary fittings, will be a little over £6,000.

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#### ROYAL BRITISH BANK

THE half-yearly general meeting of the proprietors of this bank was held at the bank's house, in the Strand, on the 3rd of August, Mr. Edward Esdaile, the chairman of the court of directors, presiding.

Mr. H. Innes Cameron, general manager, read the following report:—

"The supplemental charter in favour of the bank, which the directors stated in their last report as being then about to pass the Great Seal, was soon afterwards completed. The relative deed has since been subscribed for £100,000 additional stock, and one-half of this sum having been paid up, and the requisite certificates issued, the increased capital has been duly notified in the *Gazette*. The directors have also the satisfaction to state that they have allotted to respectable applicants another thousand shares, representing an additional £100,000; and that of the moiety of this sum, which the law requires shall be paid up before the issue of the corresponding share certificates, and which is receivable by instalments, £33,129 10s. has been already paid by the allottees. When all have been paid in full, this second addition to the capital—trebling its original amount, and completing a subscription of £300,000—will be duly published. Meanwhile, such of the allottees as have paid, or shall pay, £50 per share, and subscribe the deed, will receive their certificates, and interests on their payments at the same rate as the dividend payable to shareholders; the rate allowed on instalments short of payment of the £50 per share being one per cent. less. Hitherto the number of the bank's shares having been comparatively few, occasioned no doubt by the largeness of their amount singly, and of the proportion required by law to be paid up, the transactions in them have been infrequent, and they have but rarely been found on the market; but as their number has now been increased, the directors will take the necessary steps to have them quoted in the Stock Exchange lists. The customers of the bank, and their operations, have continued steadily to increase. More than a thousand new accounts have been opened during the past year, and the number now in operation is considerably above 6,000. At the time the bank was being formed, the directors had much difficulty in obtaining any premises in a suitable place adapted to their wants, and they were very glad when they secured, and at a moderate rent, their present chief office. But for a considerable time back the accommodation it affords has been much too limited; and the business of the bank has been thereby seriously impeded. The convictions of the directors themselves, that a change to larger, more commodious, and better situated premises was necessary, were strengthened, not only by the complaints of customers, but by the expressed opinions of proprietors. The directors are, however, now happy to say that they have at length secured premises which, in commodiousness, situation, and appearance, are all that can be desired, and on terms which they consider to be very advantageous to the bank. These premises are the whole of the front building, and the greater portion of the two side wings, and of the interior quadrangle of the South Sea House, in Threadneedle-street, the back portion of the building being taken at the same time by another bank. The house is one not only familiar to the whole business community of London, and standing in one of the greatest thoroughfares in the City,

but some of its apartments have at different times been occupied by several of the oldest and most respectable of our banking establishments, while others continue in the possession of the Government and of various well known public companies. The portion of these premises which the directors have taken comprehends about two-thirds of the whole, including the entire front in Threadneedle-street; and the bank has the option of a tenancy at a specified rent for 21 years, or the purchase within three years of the freehold, at a price now agreed on. They hope this arrangement will be satisfactory to the proprietors, inasmuch as the acquisition of the property is in itself an excellent investment, and combines every banking desideratum, with a moderate annual charge. The directors expect that the necessary alterations to enable them to remove their chief office to Threadneedle-street will be completed within three months from this time. The directors have great satisfaction in stating that the progress of the junior branches established this and last year has completely justified the outlay on their formation. The dividend declared by the directors for the past half-year is at the rate of 6 per cent. per annum, free of income tax, which, with interest at the same rate on all deposits of £50 per share of the last issue, will be payable at the head office of the bank, on and after Monday, the 20th instant."

*Abstract Balance for the Eleventh Half-year.*

<i>Dr.</i>		LIABILITIES.	
To subscribed capital £200,000, one-half paid up...	£100,000	0	0
Amount due by the bank for deposits on new shares ... ..	£30,729	10	0
Deposits for fixed periods, and floating balances on drawing accounts, &c. ... ..	951,653	3	10
		982,382	13 10
Amount due on promissory notes, &c. ... ..		17,078	13 5
Reserved fund, as at Feb. 2, 1855, as per report for fifth year ...	£12,591	19	8
Dividends thereon ... ..	203	0	2
	12,794	19	10
Unappropriated balance at ditto ...	2,418	19	0
Gross balance for the half-year ended June 30, 1855, after making provision for bad debts, and for interest (£12,844 8s. 11d.) paid and due on deposits, promissory notes, and balances ... ..	15,316	9	8
		30,525	8 6
		£1,129,986	15 9
<i>Cr.</i>		ASSETS.	
By loans on convertible securities for short periods, advances on cash credit accounts, bills discounted, &c., ... ..	£898,713	14	11
Balance of preliminary expenses ... ..	15,389	4	2
Property of the bank in buildings and furniture	20,948	6	11
Investments in Government stocks, and cash in bank	194,935	9	9
	£1,129,986	15	9

*Reports of Joint-Stock Banks.**Dr.**Profit and Loss Account.*

To expenditure of the bank for the half-year ended June 30, 1855 ... ..	£9,931 18 5
Amount voted to directors at annual meeting, February 2, 1855 ... ..	2,000 0 0
Amount set apart for liquidation of preliminary expenses, &c. ... ..	636 7 8
Dividend (free of income tax) for half-year ended June 30, 1855, at 6 per cent. per annum ... ..	3,000 0 0
Reserved fund, as at February 2, 1855, as per balance-sheet ...	£12,591 19 8
Dividends thereon ... ..	203 0 2
Set apart, to be added to reserved fund, as at June 30, 1855 ...	1,000 0 0
Reserved fund, as at June 30, 1855	13,794 19 10
Unappropriated balance carried to new account ... ..	1,162 2 7
	<hr/> 14,957 2 5 <hr/>
	<hr/> £30,525 8 6 <hr/>

*Cr.*

By gross balance and reserved fund, as above brought down ... ..	£30,525 8 6
Reserved fund and unappropriated balance, as above, brought down ... ..	£14,957 2 5

The report and accounts were deemed satisfactory, and the directors were urged by numerous shareholders to persevere in the course which had rendered the establishment so largely useful to the mercantile and trading community of every class, and so safe and progressively profitable to the proprietors.

A Shareholder congratulated the proprietors upon the readiness the directors had shown in meeting their wishes on the subject of procuring more convenient and suitable premises for the chief office. No arrangement could be more advantageous than the one gone into relative to the South Sea House.

Mr. Cameron, with the view of marking the progressive extension of the bank's business, mentioned that during the half-year ending December, 1854, the transactions were 320,958 in number, representing a value of £18,605,966. For the half-year ending June, 1855, the number had increased to 532,544, representing a value of £20,604,577.

Lieutenant-General Aitchison, in seconding a vote of thanks, moved by Mr. George Knight, to the Court of Directors, expressed the satisfaction he felt at the extensive benefit the bank had conferred upon a class of traders who were not, previously to its institution, in the habit of keeping a banker's account. Many tradesmen, who had risen to comparative wealth, were ready to admit that they owed a good deal of their success to keeping such an account. Increased employment to labour had followed as a necessary consequence.

The Chairman returned thanks, assuring the proprietors that the directors would make every effort to develop the peculiar features of the bank, being confident that, in doing so, public as well as individual benefit would be the certain result.

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### THE GREAT CITY FRAUDS.

At the Central Criminal Court, on Thursday, July 23rd, Daniel Mitchell Davidson, aged 41, and Cosmo William Gordon, 34, both described as merchants, were placed at the bar, before Mr. Justice Erle, to plead to several indictments, charging them with obtaining various large sums of money by false pretences; and Joseph Windle Cole, also described as a merchant, who is already under a sentence of penal servitude upon a conviction arising out of some of the transactions in which the prisoners Gordon and Davidson are involved, was also placed at the bar. There were four or five indictments against the two first-named prisoners, the amounts mentioned as having been obtained by them being stated as £1,100, £2,400, £4,900, £7,000, and £17,000. They were also charged, under the Bankrupt Act, with felony, in not having surrendered to be examined at the Bankruptcy Court on the day fixed for that purpose by the Commissioner. There was likewise another indictment, on which the prisoners Davidson and Gordon were charged jointly with Cole with conspiracy to obtain money by false pretences. The prisoners pleaded "Not guilty" to the whole of the charges. Mr. Ballantine and Mr. Poland conducted the prosecution; Mr. M. Chambers, Q.C., Mr. Clarkson, and Mr. Parry, were for Gordon; and Mr. Sergeant Byles and Mr. Bodkin appeared for Davidson. Mr. Edwin James, Q.C., and Mr. Vallings, were retained to watch the case on behalf of Messrs. Overend, Gurney, and Co. It was arranged that the case first taken should be that of the charge against the prisoner Gordon, of not having, after he was adjudged a bankrupt, surrendered to be examined upon the day fixed by the Commissioner of Bankruptcy for his doing so, which, by the Bankruptcy Act, is made a felony, and renders the person convicted of the offence liable to be transported for life. The facts of this case have very recently been fully reported in our pages. Suffice it to say on the present occasion, that the charge was fully made out, and the jury, without hesitation, returned a verdict of "Guilty." Mr. Chambers took several technical objections to the evidence, chiefly relating to certain alleged informalities in the bankruptcy proceedings; but his lordship overruled them, observing, at the same time, that he should reserve them with a view of being submitted to the Court of Appeal. Mr. Ballantine then said there was a charge against the prisoner's partner Davidson, on which the evidence would be precisely the same, and the same objections would no doubt be taken as those that were reserved for consideration in the present case. It therefore appeared to him that it would be a useless waste of time to go into that indictment, and that it would be better that it should stand over until the legal charges were consequently postponed. Serjeant Byles said that, on the part of his client, he saw no objection to this course; and all the other points were consequently postponed.

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### Communications.

*To the Editor of the Bankers' Magazine.*

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#### PUBLICATION AND AUDIT OF BANK ACCOUNTS.

SIR,—Nothing could be more opportune, fair, and just, than your remarks this month, upon the several and relative positions of private and joint-stock banks, and the extent to which public attention has been directed to the peculiar features of both institutions, by a recent sad event.



So many interests—even the welfare of the nation—are involved in banking operations, it is very desirable that both private and joint-stock banks should do all that is required of them by the times.

Public confidence has been shaken; it can and must be restored, and it is quite evident the sooner this is accomplished the better, both for the interests of the public and the banker. For private banks, nothing could be so desirable as the publication of half-yearly accounts of their capital, such accounts being verified by a disinterested and professional accountant. As an illustration of the advantages of such a plan, I may mention a circumstance which very recently came under my notice. I had occasion to make inquiries about the means and standing of a house in this locality, when I was told by the junior partner that any one could always obtain a pretty correct knowledge of their position by going to a certain accountant here, to whom they submitted their books and balance-sheet every half-year, for examination and verification. He remarked, "We find this plan works well; it is a check upon our book-keepers, and assures us that the several debit and credit entries made during each half-year are true and just, as affecting all parties," meaning each partner and the creditors of the firm.

With regard to joint-stock banks, the London ones seem, from the very first period of their existence, to have pursued a course calculated as surely to perpetuate their present high character in public estimation, as it ever has been, and will be, conducive to the interests of their proprietors; but it is to be regretted that the joint-stock banks in the provinces—many of them equal in standing to those in the metropolis—do not publish more detailed accounts than they do, many of them furnishing but mere profit and loss accounts, which can be of no value to any one but their respective proprietors.

My object in directing particular attention to this last fact is, that should the forthcoming half-yearly accounts of the country joint-stock banks not be after the model of their London contemporaries, a few able and friendly remarks from you may lead them to amend their ways.

I am, sir, your most obedient servant,

Ireland, 3rd August, 1855.

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#### REMUNERATION TO DIRECTORS.

SIR,—In your number for this month you give the *maximum* and *minimum* salaries of general managers of joint-stock banking companies. I shall feel obliged by your informing me of the usual scale of remuneration for general and local directors.

Your most obedient servant,

17th August, 1855.

L. S. D.

[This question cannot well be answered, there being no settled practice with regard to these allowances.—Ed. B. M.]

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#### BANK OF ENGLAND.—EVIDENCE OF DEATH.

In answer to a question put by an old banker on this topic, Mr. A. Madders, of Norwich, writes:—

"In the case of a stockholder having gone abroad, and nothing can be ascertained about his existence or death—in a sole account, it will be necessary to inquire diligently, by advertisement and otherwise, for any legal representative or next-of-kin of the deceased, or supposed deceased; and the next-of-kin must apply to the Bank of England, stating the *exact particulars* of the stock and description of the holder, when he went

abroad, his age, &c., and demanding to administer to his effects; the Bank will then state what proof they will require. In a joint account, if no positive proof of death of a co-trustee can be given, application must be made to the Court of Chancery, under 'The Trustees Acts,' to enable the supposed survivor to deal with the funds."

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#### LIMITED LIABILITY BANKS.

SIR,—Will you kindly inform me, in your next number, whether joint-stock banks can be legally established under the Limited Liability Bill?

I remain, yours, obediently,

Derby, 20th Aug., 1855.

A BANKER'S CLERK.

[Joint-stock banks cannot be established under the Limited Liability Act.]

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#### Notes of the Month.

LOSS BY FORGED ACCEPTANCES.—A statement has been circulated that Messrs. Lubbock and Co. have sustained large losses from discounting some forged acceptances. The whole extent of the affair is £658. The bills in question were discounted for a person who opened a drawing account with them about two years back, under the name of Marcellino de Allo. On that occasion, he deposited £1,000, and subsequently he applied, on about half-a-dozen occasions, for the discount of excellent paper of small amount. Within the last few months he has availed himself of the credit thus established to negotiate two spurious bills for an aggregate of £864, as a set-off against which there is a balance of £206 on his drawing account, apart from anything that may be recovered in case of his capture.

THE LIMITED LIABILITY ACT.—The Limited Liability Act has already inspired activity amongst the promoters of joint-stock undertakings. Curiously enough, the wholesale drapery trade have been the first to avail themselves of the facilities of the new law. Two associations have been advertised, which propose to take up the branches of business connected with this department, and the most important has obtained the connection of the late firm of Rogers, Lowry, and Co. With judicious management, there is a fair prospect of both these establishments succeeding, but a great deal will depend upon an early organisation. Although the rate of return promised to the proprietors is high, it may be realised, if vigilance and economy are exercised, but it will, nevertheless, require great perseverance to carry these principles out. It is stated that numerous other companies for inaugurating various descriptions of enterprise are about being formed, to test the practicability of the act, and that there is every expectation of a large number finding encouragement. Several of the old companies propose bringing their affairs under the operations of this protective measure.

DECIMAL COINAGE.—It appears that the commission to inquire into the question of decimal coinage is to consist of Lord Monteaule, Mr. Hubbard, late Governor of the Bank of England, and Lord Overstone.

SHIPMENTS OF SPECIE.—According to a statement just issued by Mr. James Low, the shipments of specie from England to India, China, Egypt, and Malta, for the half-year just ended, have been £2,514,006, of which £396,847 consisted of gold, and £2,117,159 of silver. As compared with the corresponding half of

1854, this shows an increase of £140,992, although the total export was then unusually large. The proportion of gold, however, is smaller in the present return. The sum included in the aggregate total as having been sent to China this half-year is £333,466, of which all but £149,524 was silver. In the first six months of 1854, the total sent to China was £1,289,548. The recent augmentation in the shipments to the East has, therefore, been caused exclusively by the Indian demand.

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**FAILURES AT BIRMINGHAM.**—With regard to the prospects of the creditors of the various speculative firms now broken up, it is stated that Mr. Jeffries hopes to pay 5s. in the pound by secured instalments at six and twelve months; that Mr. Thomas Spencer has arranged a composition of 2s. 6d. in the pound on liabilities exceeding £120,000; that Mr. Haywood offers 10s. in the pound on liabilities for £71,000, in instalments; and that Messrs. Hickmar propose to pay a like amount, also in instalments.

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**HOME ACCOUNTS OF THE EAST INDIA COMPANY.**—The total receipts of the home treasury of the East India Company, from the 1st of May, 1854, to the 30th of April, 1855, amounted to the sum of £10,117,786, and the total disbursements to £5,350,203 leaving a balance in favour of £4,767,582. The total receipts of the home treasury for the ensuing financial year, 1855-56, are estimated at £9,637,112, including the cash balance of the old account, and the total disbursements at £7,490,648. The total debts of the company in England amounted on the 1st of May, 1855, to £8,570,454, and the assets to £7,131,938, leaving an excess of debts to the amount of 1,438,916. The total number of the company's establishments in England, on the 1st of May last, amounted to 524, and the salaries and allowances thereof to £123,145. The amount of new or increased salaries created in 1854-55 is £1,349, and that of pensions, £1,928. The amount of allowances, remunerations, and superannuations granted to officers and servants of the company, in the same period, was £1,403. The amount granted to the widows' fund in the home establishment, to make up the deficiency in the income of those funds for the year ending the 30th of April, 1854, was £10,094.

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### BANK MOVEMENTS.

THE City Bank and the Bank of London have both commenced active operations, and with every prospect of success.

It has been arranged that the Royal British Bank shall be admitted to the Bankers' Clearing-house.

The Southwark branch of the London and Westminster Bank will be admitted into the Clearing-house on the same footing as a separate independent bank.

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### MONTHLY CHRONOLOGY.

August 2.—The Chancellor of the Exchequer propounded his supplementary Budget in the House of Commons.

7.—Intelligence received of the further bombardment of Taganrog by the Allied fleets, and also that Berdiansk was bombarded on the 23rd July.

14.—The Parliamentary session closed, the usual Royal speech being read by commission.

News arrived of the successful bombardment of Sweaborg by the Allied fleets.

15.—Messrs. J. Walker and Co., manufacturers and merchants, of Leeds, being unable to meet their engagements, call a meeting of their creditors.

17.—Intelligence arrived of a great battle having been fought on the Tchernaya on the 15th, in which the Russians were defeated with very great loss.

18.—Her Majesty Queen Victoria arrived in Paris, on a visit to the Emperor of the French.

20.—Intimation received of the bombardment of Riga on the 10th, by the Allied forces. Considerable damage done to the town.

23.—Trial and conviction at the Central Criminal Court of Cosmo William Gordon, of the firm of Davidson and Gordon, for not having surrendered to the Court, after an adjudication of bankruptcy. Sentence was postponed, for the consideration of some legal points. The trial of Davidson, for a like offence, was also postponed, as well as the trials for the other offences with which they stand charged.

27.—The Queen returned from Paris.

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## Monetary Intelligence.

### REVIEW OF THE MONEY MARKET FOR THE MONTH OF AUGUST.

THE financial events of the month of August have not proved to be of an important character. The successful completion of two loans, one on behalf of France and the other of Turkey, has constituted the principal feature of business, although at the same time the vote by which the Chancellor of the Exchequer is empowered to raise an additional £7,000,000 has also excited attention. In the midst of these operations, an increased demand for money has necessarily arisen, and the result has been that the temporary pressure has caused higher rates to be paid for all descriptions of accommodation. The abstraction of capital, if it had been permanent, would have produced a very serious influence; but since it was well known that a large surplus would be returned immediately the lists were definitively closed, the apprehension entertained was not of the usual depressing nature. Both the French Minister and the contractors for the Turkish loan deserve the thanks of the mercantile community, for the prompt manner in which they arranged for the release of the deposits, so soon as it was ascertained what were the respective proportions due to subscribers, and consequently the dreaded inconvenience was much diminished, and ultimately altogether surmounted. These subscriptions occurring at a period when the requirements of the harvest increase the demand for capital, the influence of extraneous causes has been more keenly felt, but it is expected that the prospects of the crops at home, with the reported abundance in America, will prevent any great drain for wheat purchases, and thus leave the money market free from those fluctuating phases which would otherwise ensue, had the appearances of the harvest been less favourable. Trade has slightly improved, although it does not exhibit that encouraging activity which leads to extended enterprise. The caution, however, apparent, may be of service in repressing an unhealthy action, especially in a period such as we are now passing through. The rate for money, which in the middle of the month had reached  $3\frac{1}{2}$  to 4 per cent.—nothing being done under the *minimum* terms of the Bank—has latterly become much easier, and the quotation is now about  $3\frac{1}{2}$  to  $\frac{3}{4}$ , with an increasing supply of available capital. The bill brokers allow  $2\frac{1}{2}$  per cent. for deposits, and they are not inclined to augment their balances. With regard to the position of the foreign exchanges, the tendency is more favourable, and remittances from Australia and America continue to arrive.

The variation in the price of English securities has not been extensive. Taking the extreme range, it represents about 1 per cent. There has been

very little speculation, and the events of the war have had scarcely any influence on prices. The current demand for money has, on one or two occasions, tended to depress the price of Consols; but there has subsequently been a recovery, immediately the pressure has shown symptoms of subsidence. The quotation of Omnium has been well supported, at from  $4\frac{1}{2}$  to 5 premium, but it is now barely so good.

The great attraction in the foreign market has been the scrip of the Turkish Four per Cent. Loan. Two or three days prior to its actual negotiation, operations took place at from  $2\frac{1}{2}$  to  $3\frac{1}{2}$  premium, purchasers anticipating that there would be a rapid rise in its value, immediately the contract was concluded. The terms, however, paid by Messrs. Rothschild had a speedy effect upon this fictitious value, and from  $3\frac{1}{2}$  the quotation receded to  $\frac{1}{2}$  premium. At this lower rate, purchases were made by the insurance companies, and the result was a rally to  $2\frac{1}{2}$  to  $\frac{1}{2}$ ; but the nearest present value is  $2\frac{1}{2}$  to  $\frac{1}{2}$  premium. In Old Turkish Six per Cents. there has also been some activity; but the changes have not been of a remarkable character. At one period, it was considered a favourable operation to sell the 6 per cents. and purchase the 4 per cents., which exercised a slight influence; but now a different proceeding is adopted, and there are those who follow the opposite course. Peruvian Stock maintains the late advance. Russian is also steady, and purchasers of Dutch have given increased strength both to the  $2\frac{1}{2}$  and the 4 per cents. Spanish and Mexican continue quiet, the transactions having been of a very limited character.

As we anticipated, the announcement of reduced dividends has created a very prejudicial effect upon the securities of the leading railway companies. In all cases there has been a rapid decline, averaging from £4 to £6 per share. Great Western shows a fall of  $11\frac{1}{2}$  per cent., although there has since been a slight recovery from the extreme point of depression; the highest quotation of the month has been 66, and the lowest 54 $\frac{1}{2}$ . The whole of the balance-sheets exhibit in a most unmistakable manner a pernicious system of management, and until this shall have been thoroughly modified, it can hardly be expected that there will be any alteration for the better. Expenditure far outstrips any proportional increase of revenue, and the fallacy of the amalgamation principle, with the unproductive returns from branches, testify to the absence of administrative capacity among those who have attempted to develop the resources of these undertakings. Although the market may now be considered rather firmer than it was some week or ten days since, the decrease in rates of distribution has discouraged the public from making important re-investments.

The demand for the shares of the joint-stock banks which existed in the early part of the month, has sensibly diminished. Extensive purchases of City Bank shares carried their premium up as high as 10 to 12, on £50 paid, but there have since been sales, and the quotation has now relapsed to 7 to 9 premium. Bank of London shares, in a similar manner, reached 6 to 7 premium, and being affected by a like course of operations, have declined to  $3\frac{1}{2}$  to  $4\frac{1}{2}$  premium. Union Bank of London support the advanced quotation of 28 $\frac{1}{2}$  to 29. Bank of Australasia shares and Union of Australia have been in request at improved prices. Other descriptions may be considered generally steady.

There has been a more than usual amount of activity in the produce markets, the transactions in the principal articles having in several cases given a favourable impetus to rates. The value of money has assisted to create business, the terms of accommodation not being too onerous to repress speculation.

The following are the fluctuations in the English and Foreign Stocks, and Railway Shares, during the month just concluded:—

	Price on July 23.	Highest.	Lowest.	Price on Aug. 23.
<b>ENGLISH FUNDS.</b>				
Consols ... ..	90½ to 90½	91½ ex. d.	90½	91½ to 91½
Exchequer bills' average ... ..	19s. to 25s. pm.	25s. pm.	12s. pm.	12s. to 16s. pm.
<b>FOREIGN STOCKS.</b>				
Brazilian ... ..	102	103	100½	101½
Buenos Ayres ... ..	—	57	54½	55
Chilian ... ..	—	105	103	103½
Dutch, 2½ per cent. ... ..	64½	65½	64	65
Mexican ... ..	21½	21½	21½	21½
Peruvian, 4½ per cent. ... ..	80½	82½	80	82
Portuguese, 4 per cent. ... ..	—	45	44	44½
Russian ... ..	101½	101½	100½	101
Spanish ... ..	—	38½	37	37½
<b>RAILWAY SHARES.</b>				
Brighton ... ..	101½	101½	98½	98½
Caledonian ... ..	62½	63½	62½	63½
Eastern Counties ... ..	11½	11½	11½	11½
Great Northern ... ..	90½	91	88½	89½
Great Western ... ..	65½	66	54½	56½
Lancashire and Yorkshire... ..	80½	84½	80½	83½
London and North Western ... ..	98½	99½	95½ ex. d.	95
Midland ... ..	69½	72½	69½	71
North Staffordshire ... ..	11½	11½	10½	11½
South Eastern ... ..	60½	62½	60½	62½
South Western ... ..	86½	87½	85 ex. d.	85
York, Newcastle, and Berwick ... ..	73½	74½	72	74
York and North Midland ... ..	48½	49	48	49
East Indian... ..	24½	24½	24½	24½
Northern of France ... ..	35½	37½	35½	36½

#### THE STATE OF TRADE.

THE reports from the manufacturing districts have been rather more favourable, but there is yet no general improvement in the prospects of business. The satisfactory accounts of the state of the harvest will exercise a beneficial influence, particularly as they will lead to the expectation of a lower range ultimately in the prices of provisions. While the war continues, however, we can scarcely look for any great amelioration. The advices from Australia are more encouraging than formerly, but it will be some time before a renewal of shipments takes place.

#### THE GRAIN TRADE.

WITH exceptional instances, the state of the weather has been extremely favourable for the progress of the harvest. The most encouraging accounts have been received from every quarter of the appearance of the crops; and, although in some few localities the late rains and storm have exercised a prejudicial influence, great hopes are nevertheless entertained that a fair average of wheat will be secured. The yield of barley and oats has proved most abundant. With regard to the range of prices, there has, at present, been no important decline. After a temporary fluctuation, involving some 2s. or 3s. per quarter, a re-action has occurred, and the impression appears to be that existing quotations are likely to be supported. One circumstance that tends to give the market strength, is the moderate nature of the supplies; and a great number of the operators appear to consider

that, despite the general tenor of the accounts, the prices for good selected qualities will not experience a large depreciation. Disease has again shown itself among the potatoes, but only to a partial extent.

The *Gazette* returns for England and Wales have been :—

The Duties Returns for England and Wales have been:										Corresponding Six Weeks Last Year.	
Week ended 1855.	Wheat Qrs. sold.	Weekly Average.		Six Weeks' Average.		Duty.				s.	d.
		s.	d.	s.	d.	s.	d.	s.	d.	s.	d.
July 28.....	109,891	...	77 7	...	76 5	...	1 0	...	74 8		
August 4.....	99,758	...	78 2	...	76 8	...	1 0	...	72 6		
" 11.....	84,584	...	77 7	...	76 11	...	1 0	...	69 11		
" 18.....	75,681	...	75 9	...	76 11	...	1 0	...	67 10		

The importations since the harvest of 1854 have been :—

	Wheat. Qrs.	Other Grain. Qrs.	Total. Qrs.
Fifty-two weeks ended 18th July .....	1,967,042	2,400,275	4,367,317
Four weeks ended 15th August.....	274,585	316,237	590,822
	2,241,627	2,716,512	4,958,139

And the *weekly averages* have been :—

Fifty-two weeks ended 18th July .....	38,000	46,000	84,000
Four weeks ended 15th August.....	68,000	79,000	147,000
More	30,000	33,000	63,000

#### EAST INDIA REMITTANCES.

AMOUNT OF BILLS DRAWN FOR.

From the 25th of July to the 8th of August	Bengal.....	£17,448 18 1
	Madras.....	624 0 10
	Bombay ...	278 3 3
From the 8th to the 25th of August .....	Bengal.....	£2,946 5 11
	Madras.....	858 11 5
	Bombay ...	2,500 0 0
		£24,655 19 6

#### NOTICES TO CORRESPONDENTS.

We are compelled, at the latest moment, to omit one or two articles, in addition to several letters, on the ordinary topics connected with banking enterprise. The paper on the "Renewal of the Bank Charter" shall appear next month. All communications, unless they involve important questions, should, to insure punctual insertion, be forwarded by the 20th of the month.

W. C.—The article has been received, and shall have due consideration; the subject is one of interest at the present moment, and the facts and figures pertaining thereto deserve full publicity.

A CONSTANT READER.—The trial has terminated, but it is feared that the ends of justice will be partially defeated. Although the prosecution has been conducted by the City authorities, it has not brought out the whole of the salient points in connection with the frauds so extensively perpetrated. The legal difficulties will be referred to the judges, whose decision will be looked for with considerable anxiety.

A COUNTRY CASHIER.—The whole of the appointments are understood to be filled up in the special cases mentioned, but as other establishments are in the course of organisation, application to the advertised promoters should be made without delay.

T A. B.—The Limited Liabilities Act will be found suitable to the introduction of the project mentioned, and the capital will no doubt be ample to carry out the undertaking. The new law stipulates for the appointment of an auditor, sanctioned by the Board of Trade, and the duties of such functionary will prove an essential check to a lengthened continuance of improvident management.

A SHAREHOLDER.—The dividend of the English, Scottish, and Australian Bank is at the rate of 4 per cent. per annum, but we are obliged for the present to postpone a report.

# THE BANKERS' MAGAZINE;

AND

Journal of the Money Market.

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OCTOBER, 1855.

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## PRESENT AND PROSPECTIVE CONDITION OF THE MONEY MARKET.

It has been noticed latterly, that the money market is subject to more frequent fluctuation than was the case previously to the Australian and American gold discoveries. Although the supplies have greatly augmented, from the large shipments annually made, there seems to be less steadiness in the marketable value of the article, in relation to its mercantile demand, and the natural consequence is sudden and remarkable variations in the rates of discount.

During the last two or three years, these alterations have been so apparent, that notwithstanding little difficulty has existed in tracing the causes which have produced this state of things, there has been less certainty with regard to the ordinary range of quotations. The high point which the bullion has, on more than one occasion, reached in the coffers of the Bank of England, and at others in the Bank of France, has led many to the conclusion that a pressure could never again occur, or that, at least, any re-action, if it did take place, could hardly interfere with the general terms of accommodation. It is, however, now seen, that whatever may have been the anticipations originally formed on this head, they have proved to be erroneous.

When the first effects of the gold discoveries became visible, in the rapid and successive increase of the metallic reserves of the two great European banking establishments, considerable curiosity was manifested to ascertain the gross total they would represent, and when it was found that it was nearly double the average of preceding periods, the inquiry was speedily made—What *maximum* will in future denote abundance, and what *minimum* a scarcity? Seeing the position thus attained, it was, perhaps, reasonable to infer that hereafter there would be less of fluctuation, the continuous influx being calculated to ensure a more steady equilibrium in connection with supply and demand. But although, to a casual observer, such circumstances



might appear to create additional confidence, it did not escape the attention of those who narrowly watch the current of financial events, that exceptional causes might arise which would destroy the basis of the theory so fondly raised. It did not, unfortunately, require any lengthened time to test the fallacy of the supposition.

The buoyancy created by these favourable antecedents soon gave an impetus to commercial adventure, which, expanding as it did in all quarters, served to inflate credit beyond due proportion, and afford it unnatural scope. In addition, there was a host of bubble companies, which, absorbing capital in experiments wholly abortive and profitless, sapped the root of public enterprise, and entailed heavy losses on all connected with them. But, apart from such contingencies, a large export of coin was remuneratively employed in purchases of Australian gold, which, although productive of favourable results to the individuals interested, assisted to accelerate a drain, and increase the prevailing apprehension.

Before recovery could be insured from the disturbance occasioned through these events, deficient harvests in the United States and on the Continent again tended to interfere with the ordinary current of monetary accommodation, which was once more sensibly affected by the outbreak of the war, and the disasters attending the Australian and American epoch of overtrading. Throughout the whole of these phases, there was a constant species of spasmodic action, which, without eventuating in a direct pressure, served to engender caution and keep those associated with the commercial community prepared for any ulterior consequences.

We are now experiencing, though probably with diminished severity, a repetition of these changes, which will very likely not immediately cease. Gratifying as our progress has been in the Crimea—the fall of Sebastopol having at length occurred—the heavy expenditure necessitated by the war, and the financial operations consequent thereupon, have pressed upon the resources of the country, and have been followed by a demand for capital, which has in reality augmented the marketable value of money. It was not to be supposed that a loan of £16,000,000 for England, a second of £30,000,000 for France, and a third of £5,000,000 for Turkey, could be negotiated within the space of six months, unaccompanied by any influence upon the Bank's terms of discount. The only wonder, remembering the amount before abstracted through other channels for the same purpose, is, that there has not been a greater disturbance than what has been witnessed.

The gradually augmented amount of specie exports to the

East, to supply the French and English commissariat departments, alone constitutes a serious item in the account to be taken of bullion sent abroad; while the dispatch of money to Constantinople, as the proceeds of the Turkish contract, has also assisted to swell the general total. There has likewise been the further influence resulting from the diminished abundance of the wheat crop in England and France, and the orders forwarded to the north of Europe and America, to obtain supplies to make up the expected deficiencies. The whole of these causes co-operating to one end, a tightness in the money market has ensued, which has warranted the Bank Directors in adopting the restrictive measures recently carried out. With a loss of bullion per week equal to more than half a million, the drain being incessant and on the increase, the authorities in Thread-needle-street could follow no other steps than those indicated, and advance the rate of discount. The first movement, which raised the terms from  $3\frac{1}{2}$  to 4 per cent., was merely experimental, and could not be presumed to be sufficient to restrain the efflux of bullion that had set in; and although it had been imagined in some quarters that no immediate further variation would take place, the continued shipments of specie compelled the Directors in self-defence to again carry the rate from 4 to  $4\frac{1}{2}$  per cent.

Promptly as this measure was executed, it was not more expeditiously effected than was necessary, since, in addition, sales of securities were requisite to aid in checking the almost unexampled severity of the drain. The expectation, therefore, that the average quotation of discounts may shortly reach 5 per cent., does not appear to be much exaggerated, although it must be confessed that, until the beginning of the current month (September), there was an absence of symptoms which would have indicated the sudden approach of such a stringency. It is true that the payments of the loan instalments must have periodically pressed upon the resources of the capitalists and others who have taken part in the negotiation, and that exertions would have been necessary to supply the requisite means, probably in some cases at higher rates than had formerly ruled; but any temporary difficulty of this kind might have been surmounted, had not the state of the harvest at home and on the Continent led to speculative operations which are sure, sooner or later, to act upon the money market. With the prospect consequently in view of a turn in the American exchanges, which will arrest supplies of specie from that side, and possibly, instead, promote shipments hence in payment of grain, the existing position of affairs is not extraordinary. It would be more astonishing if, in the midst of war, with the various uncertainties which such periods usually develop, a contrary order of things was found to predominate.

There has also been recently greater activity in trade, although the revival has not been proportionate to the lengthened stagnation experienced in the earlier part of the year. Contemporaneous with this revival has occurred a sudden improvement in several of the principal articles of produce, which, influenced primarily by a legitimate and secondly by a speculative demand, have considerably advanced in value. All these movements have created, more or less, inquiry for accommodation, and stimulated by the excitement apparent in other channels the rates have been supported. The measures of the Bank Directors, however, have repressed, in some degree, the recklessness that at one moment seemed imminent with regard to these transactions, and a subsidence to comparative tranquillity has diminished the danger which appeared likely to arise from the manifest tendency to push business at any hazard. Without some new and powerful influence intervenes, an immediate repetition of such operations is not to be anticipated.

With the future clouded by the dark shadows of war, the enormous expenditure which invariably characterises such proceedings, and the adverse contingencies of old loan contracts incomplete, and fresh ones to be completed, there is little doubt but that a high average value of money will be maintained. The Bank of England rate may be expected to go to 5 per cent., if not further,\* and as the Bank of France will be compelled to adopt a similar line of policy, relief cannot just yet be expected from the general tightness which will inevitably ensue. The foreign exchanges, acted upon by the advance which has already occurred, exhibit a more favourable condition, but it will be desirable, owing to the grain operations in course of process, to keep a vigilant eye upon their tendency, in order to correct on the instant any important divergence from the right path. Although it is almost universally confessed that the soundness of our commercial relations will prevent any shock of importance being encountered, it will, however, be requisite for bankers and others interested in the stability of monetary affairs, to watch with scrupulous anxiety the career of general business, so as to avoid the risks that may be incurred even in the most prosperous periods, when an extended demand for accommodation is succeeded by vague symptoms of panic, the effects of which cannot at all times be readily discerned.

Whatever may be the inherent strength of commerce—and, considering the last eighteen months of trial, it has proved undoubtedly great—the existing species of competition, not alone in the mercantile world, but also in that aiding and supporting its progress, renders it essential that more than the

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\* The Bank Directors, on the 27th September, advanced the rate of discount to 5 per cent.

usual amount of caution should be exercised, lest, in over-zeal to secure connection and profit, losses of more than ordinary magnitude arise. This premonitory intimation is requisite for the guidance of the general joint-stock banking interest, old and new; and it equally applies to private bankers. The extension of trade, and the facilities necessary to develop its resources, have augmented the relations of most banking establishments; and, unfortunately, in London, as well as the provinces, it has transpired that cases have occurred, in which attempts to cover first bad debts have initiated a system of false credit, which has ultimately entailed heavy sacrifices of character and capital on the particular parties concerned.

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#### OUR GENERAL GRAIN SUPPLIES.

THE harvest having now been pretty well brought to a close, it may not be an inopportune moment to take a brief glance at the results, and as to what will probably be the position of the country with respect to the supply of bread stuffs between the present time and the next harvest; and we the more readily do so, as we find that some of our weekly and daily contemporaries, professing to be the organs of political economists, appear to be making an effort to uphold the present high prices of cereal produce.

*Prima facie*, there may be some grounds for presuming that a price beyond the usual average may exist for the next twelve-months, but there is every reason to believe that no sufficient cause can be found for the maintenance of the present very high rates. As long as speculators and factors can succeed in raising the slightest doubt as to the actual yield of the crops, either at home or abroad, so long will they be enabled to elevate or depress the markets, as best suits their own interests, and this has been particularly the case during the last two or three months. In corn, as in all articles of commerce, there are certain periods more propitious than others for the operations of speculators and gamblers, but in none so much as the produce of the fields, whether of home or foreign growth, where the yield mainly depends on the favourable state of the weather. We are, therefore, not surprised, that up to the present moment the price of grain, under all circumstances, has maintained a very high range; but we think we shall be able to show that there are but slight grounds for its continuation.

That the late harvest has not been so productive with respect to the yield of wheat as was a few weeks ago anticipated, must be admitted, but, at the same time, if below the usual average, it is found to be anything but what can be called a bad one. On

the other hand, the yield of barley, oats, and other grain, is quite up to the average, if not in excess; and, although it is the usual practice of those who are constantly fighting for a continuation of high quotations, to leave out of their calculations the last-mentioned articles, it will be found, on a proper consideration of the subject, that these form no inconsiderable or unimportant item in the regulation of the prices of other commodities—particularly money—and ought, therefore, to have their relative proportion in the regulation of the price of wheat. Again, the potato crop is this year larger throughout the United Kingdom than has been known for many former years. Not only has a much larger breadth of land been planted, but there is much less of that destructive and mysterious disease, which has so repeatedly decimated this valuable esculent. The potato, which has always formed a large portion of the food of the lower classes, but more particularly so when the price of grain has ruled high, will therefore again, to a certain extent, be used instead of wheat and barley, and consequently in the same *ratio* will the demand for those articles be diminished. Let us not be understood, by any means, as advocating the use of the potato in preference to wheat. On the contrary, it is gratifying to know that a great improvement in the habits of the lower classes, especially in Ireland, with respect to their food has taken place; but, at the same time, it is a natural consequence, that when bread and flour are at their present high prices, the use of the potato—which can be obtained at so much lower rate—will be resorted to. Now, with respect to the actual deficiency in our cereal crops, we have no better authority than general rumour, nor have we any means of ascertaining in what proportion the difference bears to previous years, nor in fact—and it is a discredit to this country—is there any official record of its actual produce. The want of a regular and authentic return of our agricultural produce is constantly felt, and, in times of pressure particularly, is the means of enabling speculators and large holders to “rig” the market; which, had the actual dealers and consumers these records to refer to, would be prevented, and those artificial prices, now so frequently obtained, would be almost entirely prevented, and the public would also reap the benefit in a reduced price of their staple food. We are glad, therefore, to find that the subject is now occupying the attention of the Legislature; and, although there may probably, in the first instance, be difficulties in obtaining the necessary returns, if the machinery is properly organised there can be no doubt they will prove of immense public advantage. Such returns are compulsory in many countries, and where they are in existence they have been found to

prevent those violent fluctuations in the corn markets, which are too often the result of groundless panics, but which nevertheless inflict the deepest injury on the public.

A Committee of the House of Lords has recently issued a valuable report on the subject, in which it is suggested that two classes of returns should be annually obtained—one to consist of facts, and the other of estimates. Under the first head is to be comprised an exact account of the extent of acreage under cultivation; under the second, an estimate of the aggregate produce of each harvest. The first of these returns, it is proposed, should be made before the 15th of July; and the latter, which is by far the most important, before the 30th of November in each year. By these means, the public would be able to ascertain at the commencement of each winter, with as near an approximation to accuracy as possible, the amount of each year's crop, and, consequently, the probable range of prices throughout the next twelve months.

In France, also, it is affirmed that there will be a considerable deficiency in the wheat crop, to the extent, according to the latest estimates, of about 2,000,000 quarters, which is admitted to be a much greater deficiency than is likely to be experienced in this country; and, with respect to the corn-producing countries of the Danube, there is no reason to believe that there will be any notable deficiency; and if, therefore, taking into consideration the supplies required for the armies in the East, we may not look for any considerable supplies from that quarter—on the other hand, it is not probable that it will be necessary for them to look for increased supplies from other countries. The ruling high prices in the markets of England and France have a natural tendency to keep up rates in a corresponding *ratio* in other continental markets; hence, the accounts of high quotations prevailing at Antwerp, Amsterdam, Rotterdam, Hamburgh, in Denmark, and Belgium, is not a circumstance to create surprise.

The question then arises—with a deficiency of 2,000,000 quarters of wheat in France—and, for the sake of argument, say 2,000,000 quarters deficiency in the United Kingdom—how is that deficiency to be supplied? We think a very satisfactory answer is given in the following extract from the commercial report of the *New York Shipping List* of the 5th September:—

There can be no doubt now of abundant cereal crops to increase the general wealth of the country, should Europe need our surplus, of which there can be no reasonable doubt. The exports of breadstuffs from this port to Great Britain and the continent during the year ending the 1st inst. have been 115,379 barrels of flour, 1,620 barrels of cornmeal, 240,254 bushels of wheat, and 5,304,138 bushels of corn. The total exports from the United States to Great Britain and the continent for the year ending September 1, compared with the previous year, have been as follows:—

		Flour. Brl.	Meal. Brl.	Wheat. Bush.	Corn. Bush.	Rye. Bush.
1853-4	... ..	2,615,948	40,660	7,823,210	6,306,492	318,882
1854-5	... ..	178,092	5,536	322,685	7,151,670	35,569
Decrease	... ..	2,437,856	35,124	7,500,525	...	283,313
Increase	... ..	...	...	...	845,178	...

It will be seen that there has been a decrease in every article but corn. The exports of flour and wheat would, in all probability, have been as large, or larger, in 1854-55 as in the preceding year, but for the partial failure of the crops, which materially limited the supplies and enhanced prices. We have already had occasion to notice the heavy yield of wheat in the southern and middle states. In its annual review of trade, the *Charleston Courier*, of the 1st inst., has the following on the subject:—"Our trade in flour deserves a special note. It is but recently that we depended chiefly on Maryland for this important article. We are now receiving large supplies, with prospects of a steady increase, from East Tennessee and the adjoining portions of Georgia, North Carolina, and South Carolina, and from the whole region west and north-west that our railroad system is penetrating. We are pleased to note a continuance of the impulse lately given to our trade in wheat—a new and most important item. The receipts of the new crop, thus far, have reached 245,000 bushels.

From other sources we learn that the available surplus of wheat is estimated at about 5,000,000 quarters from the United States and Canada, but some accounts place this surplus at a much greater figure, and to which we are inclined to adhere, as in the earlier part of the season, all the reports received chronicled the fact of an immense increase of the breadth of land under cultivation, compared with previous years. But, even presuming the surplus to be only 5,000,000 quarters, that will be far more than sufficient to cover the deficiencies of both England and France. The extreme fluctuations in the price of grain during the last three years must be attributed to various causes, but chiefly to the breaking out of the war, and the very great differences between the produce of the harvests in those years, and which may be elucidated by the annexed figures, showing the importations in round numbers of wheat and other grain into the United Kingdom, during the years 1853, 1854, and 1855, commencing on the 1st August and ending on the 31st July in each year:—

		Wheat, Qrs.		Other Grain, Qrs.		Total Qrs.
1853	... ..	4,032,000	...	2,620,000	...	6,652,000
1854	... ..	5,639,000	...	3,691,000	...	9,333,000
1855	... ..	1,997,000	...	2,409,000	...	4,406,000

In the six weeks ending the 31st July, 1853, the average price of wheat was 49s. 4d.; in the same period of 1854, it was 72s. 6d.; and in that of the present year, it was 76s. 8d.

The latest advices from the United States still continue of a very favourable character; but, as might be expected, the extensive orders from this side have had the effect of causing a

temporary excitement, and prices have somewhat advanced, in sympathy with the markets both here and in France, but the advance is only of that character which invariably follows a momentary pressure, and is created, in a great measure, by the necessary supplies not having yet arrived from the country districts. The orders already sent, especially from this side, are believed to be chiefly of a speculative character, and when they are supplied, the markets will again relapse into their former quiet state, as future operations to the same extent cannot be expected, and whatever may be the actual requirements, either of this country or France, they will be scattered over a more extended period. The accounts from New York, by the last packet, quote the price of the best descriptions of wheat—taking the average—at 18 80c. per bushel, which is about equal to 60s. per quarter; add to this 3s. 4d. for freight, which is the extreme rate, it will give, as the price of a quarter of wheat, on its reaching this country, 63s. 4d. Now, the price which has ruled in our markets for the last week or two, for the best samples, has been about 82s., and the average for the six weeks ending the 15th September, which includes the period when it was expected the harvest would have been more productive than it has actually proved, and when prices were consequently lower, was 75s. 2d. Again, therefore, taking the average, a very wide margin is left for a reduction in price, at the same time affording a good profit to the importer.

Taking, then, a fair and liberal review of all these facts, the obvious conclusion to be drawn from them is, that present prices have been unduly forced up—are maintained chiefly by the operations of speculators and jobbers—but are really not justified by circumstances. That, until the arrival of some of the cargoes from America, a high range of prices will still prevail, is very possible, but that it will continue beyond another week or two is equally improbable.

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## THE COMMERCE AND FINANCE OF AUSTRALIA.

### No. III.

GREAT as have been the effects of over-trading upon the Australian Colonies, the disasters have been less felt there than in England. As the goods sent in such excessive quantities were not generally ordered, but consigned, the risks were incurred by the shippers. That the insolvencies should be so palpable in Australia, arises from the fact, that the population being small, such reverses were more noticed, especially as the proportion of people engaged in commercial pursuits



was greater than in old and settled countries. The collapse from buoyancy of markets and brilliancy of hopes to extreme depression, amounting, in some cases, almost to despondency, has unquestionably afforded another proof of the want of moral firmness on the part of those who rush into new countries with ideas so vague, that they are forgetful as well of the first principles of commerce, as of the fostering care needed by new colonies, whose growth should be slowly developed, and whose interests must first be consolidated, before they can be made permanently prosperous. While these were the evils prominently manifested in the colonies, the consequences, in England, of the speculative mania, were more often under than upon the surface. Every trade had its disturbance, and every town its victims, but the evils were so widely spread that, had there been no previous success to counterbalance the losses, there would yet have been an escape from any extensive commercial crisis. Unlike the crash among the East Indian merchants in 1847-8, or the failures spread over many years among those connected with the trade of the West Indies, which were principally felt in each case by those interested with those parts, the Australian disasters have been widely circulated here among both small and large shippers, and have been felt as much, perhaps more, by those not legitimately connected with the colonies, as by those who are permanently engaged in the trade. Those who have been ambitious enough, in some remote district, to suppose they could conduct an Australian export business, or those again, who, from managing an insignificant shop in the "general way," have absurdly imagined they could with ease become merchants or consignors with a distant possession, where time and strength of means are the two important points to secure, have both ruined themselves, and inflicted serious losses upon their creditors. Let the books of our wholesale traders be consulted, for proof of these assertions! How many of their customers have been unable to meet engagements, because of their small speculations with Australia? Who among us cannot reckon an acquaintance who has tried his fortune in the new *el dorado*? Where has been the circle exempt from the alluring temptations of the gold fields? The fact of the mania being so widely spread, affords another instance of the credulity of mankind, and of the ease with which a whole community may be turned from prudent, thrifty habits, to gambling and speculation. The only advantage that could result to the general commerce of the country, is the escape from a panic which would have led to great derangement of the money market, and a want of mutual confidence, which is the natural result of all commercial crises. It will be seen, from these statements, that in any profit and loss account, between Australia and England, the balance would be greatly in favour of the former; and this must inevitably have been the case, arising not only from the superabundance of supplies, which depreciated the value of goods, but the immense powers of absorption of a country rapidly increasing in population, and still more in wealth, from its own internal productions.

Foremost among the sources of its wealth, is the gold—the discovery of which has exercised so great an influence upon its recent history. How magical have been the results, and how startling the effects, need not here be described, but the extent to which the gold has increased the commercial power of Australia may properly be stated. No statistics can be deemed authoritative, but, according to the best evidence, the following appears to be the production of New South Wales and Victoria, the two colonies in which gold has been discovered :—

Year	NEW SOUTH WALES.	VICTORIA.	TOTAL.
1852	£3,851,392	£14,153,688	£18,005,080*
1853	2,192,212	12,772,236	14,964,448
1854	1,068,384	12,154,661	13,223,045
Totals ...	£7,111,988	£39,080,585	£46,192,573

The difficulty in arriving at any exact figures upon this subject arises from the concealment of the diggers as to their earnings, and the many routes through which the gold is taken from the respective colonies, which it is almost impossible to trace. The Government escorts, which are organised modes of transport, at an expense varying from 1*s.* to 6*d.* per ounce, according to the distance, afford only inconclusive data to guide the inquirer. They cannot furnish any thing approaching the actual produce of the mines; and, although they are valuable as far as they go, they do not show the entire production of the mines, the quantities removed by the digger himself who does not object to be his own carrier, or the parcels taken to Adelaide, Van Diemen's Land, and elsewhere.

The methods adopted with regard to the gold trade, in its sale by the digger, its purchase by the banks or merchants, the prices paid, the variations in the exchanges, and the cost of its transit to England, must all be matters of strong interest to the commercial mind. In the first instance, the gold was invariably brought to Melbourne or Sydney before any sale was effected, but competition among the banks and others has led to the establishment of numerous agencies in the neighbourhood of the mines, by which the trade has, of late, undergone considerable fluctuations. The extreme ranges in price may be generally stated to be from 60*s.* to 78*s.* per ounce, but these prices indicate the dearth and the abundant supply of sovereigns to purchase the gold. The banks exchanges during the period of these variations, viz., from 1851 to 1854, have fluctuated from 5 per cent. discount to 5 per cent. premium. The main elements of this question during the year 1854, may be seen at a glance from the following table :—

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\* This includes the production of a few months in the previous year, the discovery in Victoria being in August, 1851, and in New South Wales rather earlier.

MONTH.	PRICE PER OZ.	FREIGHT.	INSURANCE.
January .....	70s. to 72s.	4½d. per oz.	£1½ per cent.
February .....	73 " 76	"	" "
March .....	76 " 77	"	" "
April .....	77 " 74	"	2 "
May .....	75 " 76	"	2½ "
June .....	76 " 77	"	" "
July .....	77 " 78	"	" "
August .....	77 " 78	"	" "
September .....	77 " 76	"	" "
October .....	75 " 76	"	" "
November .....	76 " 77	"	" "
December .....	77 " 75	"	" "

It is notorious that the great profits of the banking establishments connected with Australia have been derived from their dealings in gold, and the great differences in the exchanges, which they mainly regulated, afford the principal secret to the business. It is not, of course, pretended that these exchanges are regulated by any other than natural, and indeed, well understood principles; but, the truth is, the merchants have been, by their over-trading, debarred from any control over the exchanges, and been unable, until lately, to purchase gold for remittance to this country, so that the banks have been almost undisturbed possessors of the field.

A great change is, however, about being introduced into the bullion business, by the establishment of a mint in Sydney, in virtue of an act of the local authority. They have received, and indeed erected, the machinery requisite for the purpose, and have obtained the sanction of the crown to the issue of a local coinage which shall be of the same denomination, weight, and fineness as the coins of this country, and shall bear upon them a mark which shall at once distinguish them from the English gold coins. The coinage will be made a legal tender, and will doubtless have general currency throughout the Australian colonies, but it will not be current in England or any other of the British colonies. The various points connected with the local mint have been much agitated, and although there are certainly cogent reasons for an establishment which will fix the value of gold, so as to ensure to the producer the full worth of his labour, all the benefits to be achieved would have been realised by an assay office for simply determining the purity of the gold, reducing it to a uniform fineness, and bringing it into bars or ingots for sale and convenience of removal. The Sydney mint will practically do nothing more than this, for it must be obvious, that to coin all the gold is unnecessary, and even if it is coined, there will be a greater supply than the limited wants of so small a population can require, which will cause the shipment to England of the ingots or tokens—which, in fact, is their true term—in the same way as the crude gold, or

dust, has been hitherto exported. There is, then, a waste of strength by the expenditure upon so costly a machine as a mint, which requires not only a heavy outlay for the original plant, but a large annual expenditure for the payment of officers, who must be men of character and position in society. The strongest objection to the mint, however, is its interference with the imperial coin, and the creating of a double currency in the most progressive of the English colonies. The sovereign was becoming a wide-world coin, as well known as the Spanish dollar was formerly, and accepted almost everywhere for its full equivalent of value. It might have been hoped that, least of all in the British dominions, would anything have been done to decrease its popularity; and although such efforts are about to be made, it must soon be found that a mistake has been committed, a wrong object accomplished, and an expenditure incurred, wholly useless and unnecessary. The mint has only recently been started, and the following are the conditions by which its operations will be managed:—

## COLONIAL MINT.

Colonial Secretary's Office, Sydney

10th May, 1855.

His Excellency the Governor-General is pleased to direct it to be notified, for general information, that the Sydney branch of the Royal Mint will be open on Monday next, the 14th inst., to receive gold bullion for coinage, on the following conditions, to continue in force till Friday, 29th June next.

1st. Importations of bullion, in quantity from one thousand ounces upwards, will be admitted daily (Saturdays and holidays excepted) between the hours of eleven o'clock A.M. and three o'clock P.M.

2nd. The value of the bullion will be calculated at £3 17s. 10½d. the oz. standard, and determined on the reports of the mint assayers. It will then be converted into coin with all convenient despatch.

3rd. Payment for importations will be made in the order of their receipt, subject to a deduction of three-fourths per cent. as a mint charge.

4th. The mint will also issue, if required, gold bullion, ingots, or bars, at £3 17s. 10½d. the oz. standard.

2. The advantage anticipated from the introduction of a branch of the Royal Mint at Sydney, is the facility such an establishment will offer for the conversion of standard gold bullion, and of bullion, the produce of the Australian colonies, into the legal coin or tender for payment; to this end, every assistance will be given. The Sydney Mint is not open for refining and melting plate and jewellery, or bullion which has been previously wrought, or for converting such into coin. Any importations, therefore, which, after being melted and assayed at the Mint, shall appear to the deputy-master to have been brought to a state difficult or expensive to restore to standard purity, will be returned to the importers subject to a charge of ¾ per cent. on its value, reckoned at £3 17s. 10½d. the standard oz.

3. Further particulars can be obtained on application at the Royal Mint.

4. The above arrangement will be in operation only until the 29th June, after which a different scale of charges (to be hereafter notified) will be in force.

By His Excellency's command,

(Signed) C. D. RIDDELL.

The establishment of a colonial mint has thus for the first time

been accomplished. Its operations cannot fail to be closely watched, and although strong and reasonable grounds of difference exist now as to its necessity, it would not have been so upon the first discovery of gold, when an enlarged currency was much required. Hence the great discount gold was then at—hence too the enormous shipments of coin at a cost of not less than 2 per cent., which, of course, the colonies paid for. The complete inundation of sovereigns, during the two years subsequent to the gold discoveries, has, however, rendered a local coinage a surplusage; and, although strong interest must be felt in the progress of the colonial mint, it is easy to foresee that, before long, it will be a mere assay office, if, indeed, it is not one in a practical sense from the date of its establishment.

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#### THE ADVANCE IN THE BANK'S RATE OF DISCOUNT.

THE public have been taken by surprise at the directors of the Bank of England having twice raised the rate of discount, within a period of little more than one week. The first advance was made on the 6th of September, and the second on the 13th, and it was predicted in some quarters that a third advance would have occurred on the 20th, but the Court broke up without making any further alteration. The directors, looking at the state of the Bank accounts, and the other circumstances which have influenced the money market, appear to have been fully justified in the steps which they have adopted to protect themselves from a severe drain of bullion. It will be necessary for them still to keep a vigilant watch upon the course of affairs during the next few months, in order to prevent any fresh efflux of importance.

On this first movement the *Times* remarked—

The Bank of England to-day (the 6th of September) have increased their rate of discount from  $3\frac{1}{2}$  per cent., at which it had stood since the 15th of June, to 4 per cent. The effect of the measure having been fully anticipated, there has been no further important fluctuation in the Funds. From the movements of specie, and the demand for discount during the past ten days, it is believed the next two or three weekly returns of the Bank will fully confirm its necessity. At the same time there is reason to rely that the present advance will prove sufficient, and that no further material change or disturbance of the money market need be apprehended. Many influences are in prospect to keep up a demand for money, and to call for watchfulness, but those on the opposite side are equally numerous. The remittance of £4,000,000 for the balance of the Turkish loan, which is required within a period of little over five months, is one of the chief elements to be estimated; but the probability is, that before the last instalments are completed, the sums transmitted for the first will be in course of rapid return for military and other supplies sent from this country. In a similar degree, the realisations of a large portion of the share of the French loan subscribed in London will be likely, at an early period, to counterbalance the future payments on that which will remain. With regard to the instalments on the home loan, amounting, between this and December, to £6,400,000, their effect on the money market is, of course,

represented simply by the weekly total of about £100,000, despatched to the army and navy, and the large extent to which the importation of foreign produce is carried, to be worked up into materials of war. Among the permanent causes of derangement, the latter is the most serious, but it is, perhaps, not incorrect to assume that it will be more than met by the profits of trade under the continued stimulus of the gold production in California and Australia. In relation to the harvest, there can now, on the whole, be no question of its generally satisfactory character, and although, if present prices are maintained, America will certainly, for some time to come, send us wheat instead of gold, the consequence of such arrivals may be to cause a large export to the continent which will act favourably on the French and German exchanges. Looking at all these circumstances, combined with the knowledge that so long as they continue they check the usual efflux of British capital for doubtful foreign schemes, and also that while any gold is left in Russia it must continue to flow to Western Europe, complete confidence may be entertained that the present steady course of trade will be upheld, and that while we are not likely within the next few months to have any experience of cheap money, we may feel almost equally secure against any inconvenient pressure.

The *Times*, remarking on the further advance, observed—

"The Bank of England to-day (the 13th September), have increased their rate of discount from 4 per cent., at which it was fixed on Thursday last, to 4½ per cent. The step has taken the public by surprise, since, although it was known that the demand during the past week for discount at the Bank, as well as the withdrawals of gold, had been much greater even than was anticipated, it was assumed that the recent sales of stock, supposed to have been made by them, were intended temporarily to obviate the necessity for it. Within the last ten years, there has been only one previous instance of an advance of the rate in two consecutive weeks, and that was in January, 1847, when the threatenings of the approaching panic were suddenly becoming plain. Between the two periods there is no resemblance, for at the present moment the trade of the country is as sound and healthy as at any time on record. Nevertheless, there is quite enough to justify a repetition of the unusual course. The *Gazette* returns of the last and present week will doubtless exhibit diminutions in the amount of notes unemployd and in the stock of bullion, calculated to excite anxiety, but for the knowledge now afforded previously to their appearance that a vigorous check has been applied. Little question seems to be entertained that the instalment of £1,000,000 sterling paid yesterday on the Turkish loan will forthwith be sent in sovereigns to Constantinople, and that during the next five months the remaining £3,000,000 will be despatched in a similar manner. The Australian arrivals, moreover, are still delayed, only £176,000 having been received out of £800,000 that may be considered due; and finally, the extraordinary firmness of the corn-market, in the face of a satisfactory harvest at home, and of an unusual surplus in the United States and Canada, has disappointed all expectations, and led to the transmission of large orders, accompanied by specie, to the Danube and elsewhere. Under these circumstances, the Bank had no alternative in deciding upon a further and immediate rise, especially as there was not the remotest prospect of its suddenness causing panic or even inconvenience in any quarter. Although commerce has lately assumed increased activity, there are no signs of undue speculation, either in the manufacturing towns or on the London Stock Exchange, and the news of the fall of Sebastopol has imparted a feeling of con-

fidence, the effect of which will be much more powerful in sustaining trade than that of the present notification in depressing it. There is, consequently, no reason to depart from the conviction that everything will go on smoothly, and that, even if further measures should be requisite, they will not produce any disturbance. Some persons are disposed to believe that a return to 5 per cent. will be adopted before the close of the year; but the drain of specie just witnessed has been so sudden, and has so evidently resulted from a combination of unusual causes, that it will be against all experience if an early re-action is not witnessed. Consols opened this morning at the improved prices of last evening, but the market was not strong, and a partial relapse occurred before the fresh rise in the Bank of England rate of discount was made known. Afterwards there was a further slight decline, and heaviness prevailed up to the termination of business. Unexpected as the measure was, it produced, however, nothing like agitation or distrust, and the general transactions of the day were not important. In the Stock Exchange the demand for loans was less active. The first quotation of Consols was  $90\frac{1}{2}$  to  $\frac{1}{2}$  for money, whence they went to  $90\frac{1}{2}$  to  $\frac{1}{2}$ . The notice from the Bank, which was rather late—the resolution of the court having apparently been preceded by considerable discussion—then caused a fall to  $90\frac{1}{2}$ , and from this there was no alteration.

The writer in the *Daily News* remarked—

Although only a week has elapsed since the last advance, the directors of the Bank of England to-day further raised their minimum rate of discount from 4 to  $4\frac{1}{2}$  per cent.. The demand for accommodation at the Bank during the week is believed to have been heavy. Yesterday, it is understood, numerous applications were made to the Bank for the means to meet the instalment of 20 per cent. upon the Turkish loan of £5,000,000. The drain of bullion at the same time has assumed considerable proportions, and is as yet unchecked. As we noticed yesterday, a belief had arisen in many quarters that next week would witness a rise in the rate to  $4\frac{1}{2}$  per cent., but the adoption of the measure at to-day's weekly board seems to have taken many persons by surprise. At the same time, we notice no disposition to question the propriety of the step, the directors being undoubtedly best qualified at the present moment to form an estimate of the probable drain upon the Bank's resources. The effect of the movement upon the stock markets has been remarkably slight. The Funds, after a decline of  $\frac{1}{2}$  per cent., closed only  $\frac{1}{2}$  per cent. lower than yesterday. The publication of despatches from General Pelissier, placing in a brilliant light the probable results of the victory just achieved at Sebastopol, contributed to check any downward tendency. In the absence from town, however, of a large number of the leading operators, and of many members of banking and mercantile firms, little disposition is shown to enter into spirited operations, and to this consideration the quiet aspect of the market may in measure be attributed. Nevertheless, it must be borne in mind that the natural tendency of a higher value of money is, to bring stock of various kinds to market; and a rumour which was prevalent this afternoon, to the effect that an immediate rise to 5 per cent. was advocated to-day by some of the Bank directors, is calculated to induce caution. In Lombard-street, to-day, money was in active demand, but the discount houses have not yet announced any change in the rate of money "on call." The present rise in the value of money is calculated to prove prejudicial to the railway share market, already depressed during many weeks by the unfavourable aspect of the half-yearly accounts, and by the growth of distrust in existing railway management. The late decline of rates in the

discount market to 3 to 3½ per cent. had led to the hope that the fund available for dividends would be increased by the savings effected on the renewal of debentures; but these anticipations are already effectually dissipated.

*The Morning Chronicle* thus refers to the alteration—

The pressure upon the money market has been in full operation again to-day, and notwithstanding the great efforts made by the directors of the Bank of England to avoid raising the rate again so soon, after the advance made last Thursday, they have been compelled to-day to announce a further rise. At the usual weekly board meeting, held this afternoon, they issued notice that until further notice the minimum rate of discount for commercial bills will be 4½ per cent. This decision was compulsory, the state of the money market being such as to necessitate its immediate adoption. The directors cannot, however, be blamed for having taken the step without first resorting to every available expedient to avoid doing so, which a due regard to the important interests over which they preside, or have some controlling power, dictates and permits. The demand for money has lately become so very active, and the supply so inconveniently short, that the value has advanced beyond the power of the whole moneyed interest to control or keep in check, and has thus to the fullest extent confirmed the observations which we have from time to time made on this subject. The war, which has prostrated the trade of Russia, and compressed within exceedingly narrow limits its money market, has checked the trade of this country, thereby lessening the source of wealth, and at the same time diminishing our reserves. As we have before said, war not only unprofitably consumes money, but also destroys its power to increase, and consequently has a double action on the market. It is, however, well for the country that this influence has been so gradual and light, that there is the elasticity of hope, and the fruits of long years of prosperity and accumulations of substantial wealth. The pressure upon the nation generally has not been severe, and on the commercial and industrial interests it has been moderate, although it cannot be denied that every interest of the United Kingdom has more or less suffered.

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#### THE SCOTTISH BANKING SYSTEM.

At the late meeting of the British Association, at Glasgow, a valuable paper (or, rather, extracts therefrom) was read by Mr. Cheshire, on the laws of the currency in Scotland, the contribution being from the pen of Mr. J. W. Gilbart, F.R.S. It was received with great consideration, the ability of the writer to treat of the subject being fully recognised. Mr. Gilbart has divided his paper under four heads—1st. The constitution of banks by which notes were issued. 2nd. The operations by which the notes were put in circulation. 3rd. The laws regulating the fluctuations; and, 4th. The effects of the act for regulating the currency in Scotland.

With regard to No. I.—the constitution of banks in Scotland issuing notes—he states that, with the exception of one private bank in Edinburgh, all the banks in Scotland are banks of issue. In 1826, there were 32 such banks in Scotland; now there are only 17, although 12



new banks have been formed in the meantime. These banks were all joint-stock, and had several partners, more or less numerous; but of those which continue to exist, there is only one with less than 100, and as every partner is answerable for all the debts of the bank, to the whole extent of his property, the greater the number of partners, *ceteris paribus*, the greater security to the public. Of all the joint-stock banks in England, there is but one with a paid-up capital of £1,000,000; whilst in Scotland, there are six possessing that amount of paid-up capital, one of £1,500,000, and one of £2,000,000, the total amount of paid-up capital being £11,701,997, making an average of £688,352. The paid-up capital of a bank should bear a proper proportion to its liabilities, as, with large transactions and a small capital, losses may be incurred exceeding the capital. The amount of notes the Scottish banks are authorised to issue is £3,087,209; and in 1841, Mr. Blair, in his evidence before the Parliamentary committee, estimated the deposits at £27,000,000, so that the paid-up capital exceeded one-third of the liabilities, being higher than the proportion obtained in English banks.

II. The operations by which the notes are put in circulation are by current or drawing accounts, repayments on deposit accounts (through which habits of forethought are encouraged amongst the people), cash credits (drawing accounts upon security); and any tendency to excessive issue is checked by the systems of exchanges between the banks.

III. The law of the circulation of bank notes in Scotland. The amount varies from year to year, and is materially affected by the state of commerce and agriculture—excitement causing a large circulation, and panics limiting it; and this is increased by the custom in Scotland of settling transactions by bank notes, and not by cheques upon bankers, as in England. During the years of excitement relative to railways, the average circulation of notes in Scotland was, in 1845, £3,307,132; in 1846, £3,439,564; and, in 1847, £3,516,450. In October of the latter year came the panic—trade was dull; and in 1848 and 1849, the circulation fell to £3,162,692 and £3,134,073. But in 1850, in consequence of the Australian gold discoveries and other causes, trade revived, and the average circulation of the following years are as follow:—1850, £3,225,214; 1851, £3,242,922; 1852, £3,403,949; 1853, £3,789,214; 1854, £4,055,216. The author considers it, therefore, a law of the currency in Scotland, that the amount of circulation will vary annually, according to the excitements and depressions in trade. A second law is, that the amount during each year is not uniform throughout the year, but varies from month to month, according as the accustomed times arrive for making payments, the two principal months for which are May and November. A third law of the circulation in Scotland is, that the amount of notes in circulation under £5 each is greater than those of £5 and upwards. The Bank of Scotland first issued £1 notes in 1704, and they have never since been prohibited; but in 1765 all notes below that amount, some of which were only of the value of 1d. English, were prohibited. A fourth law is, that in comparatively poor and thinly-peopled districts, the proportion of small notes circulated is greater than in districts more wealthy and more densely peopled. Scotland is prin-

cipally supplied with notes by Edinburgh and Glasgow banks, having a number of country branches; but there are local banks at Perth, Dundee, Aberdeen, and Inverness, and these banks circulate a larger proportionate number of small notes than the other banks. By a fifth law it will be observed, that the circulation of the small notes does not fluctuate in conformity with the fluctuation of the large notes.

IV. On the fourth point—the operations affecting the currency, by the laws of 1845—Mr. Gilbert calls attention to the issue of bank notes in Scotland having been limited by act of Parliament in that year. But the act of 1845 for regulating the issue of bank notes in Scotland, was not so unfavourable as the act passed in 1844 for regulating the circulation of England, inasmuch as not only were the small notes continued in Scotland, but the banks were allowed to issue beyond the certified amount of notes, provided they held gold equal to the amount of the excess; and also, if two banks of issue should unite, the new bank might issue to the amount previously issued by both the united banks. But Mr. Gilbert believes that this act, by prohibiting the formation of new banks of issue, has checked the extension of banking in Scotland; and in consequence of the expenses of keeping gold, the banks have, in some cases, increased their charges, thus showing that restrictions upon banks are taxes on the public. However, he congratulated the banking interest, that the operation of the legislature “has not been successful in imparting to the people of Scotland a taste for gold. The bankers are too wise to issue the gold, unless when it is demanded; and the public are too wise to make such a demand. Hence, when the increase of the currency requires a further importation, the gold is quietly brought from London to Edinburgh, is quietly locked up in the vaults of the bank, and, when no longer required, as quietly sent back again. Of course this is a loss to the banks of issue, but in this way it is less injurious than if put into circulation. Disastrous for Scotland will be the day when the people shall become inoculated with the love of a gold currency. The effect of such a desire in England is strikingly exhibited in seasons of pressure. When such pressure occurs in Scotland, the banks can employ their whole resources to assist their customers, and to support public credit. But when they occur in England, the banks have, in the first instance, to take care of themselves. The banks of issue have to find gold to meet their notes, and at a time, too, when the gold is leaving the country, and causing a corresponding contraction of Bank of England notes. We may here observe, in conclusion, that the laws of the currency in Scotland, to which we have invited the attention of the section, have not been enacted by the legislature. From 1765 to 1845 a period of eighty years, no act of Parliament was passed for regulating the issue of bank-notes in Scotland; and the act of 1765 was merely to prohibit notes under £5. And were an English statesman now to put to Scotch bankers the question once addressed by a Minister of Commerce to a body of French merchants—‘What can I do to serve you?’ they would probably make the same reply—‘The greatest service you can render us is to let us alone.’”

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## STRAHAN, PAUL, AND BATES' FAILURE.

THE preliminary proceedings against these parties at Bow-street have been completed. They have been committed for trial; and although it was expected that it would have forthwith taken place, an adjournment has been agreed to, with the view of enabling the defendants to prepare for the serious charge brought against them. It has been considered necessary to increase the bail of the whole of the partners; and it is understood that further progress under the bankruptcy petition shall be arrested, until the criminal charge is finally disposed of. There will, it is apprehended, be no necessity to interfere with the arrangements made for declaring a dividend, since it is desirable that the earliest distribution of assets possible should take place. The following is a continuation of the *ex-officio* proceedings connected with this distressing failure :—

The final examination of the defendants took place at Bow-street, on the 12th of September, before Mr. Jardine. The proceedings were almost exclusively of a technical character, having reference to matters of account. Mr. Bodkin conducted the prosecution. Mr. Parry attended for Mr. Bates, the other prisoners being represented by Mr. Lewis, in the absence of Mr. Ballantine.

Mr. Bodkin said he was happy to be able to inform the worthy magistrate that this case, which, from various causes, had so long occupied the attention of the Court, would now be resumed and completed.

Messrs. Stafford, Mitchell, Pater, Metcalfe, Frankland, and Heavison, bankers' clerks, were then called, and simply bound over to appear at the Central Criminal Court. Dr. Griffith, the prosecutor, Mr. Penny, Mr. Wildy, Mr. Fitzgerald, Mr. Young, Mr. Burnand, and the other witnesses whose depositions had been previously taken, were also bound over in the same manner.

Mr. W. Bell, the official assignee of the Court of Bankruptcy, and also to the estate of Strahan and Co., said—On the 16th of June, after the fiat was issued, I went to the banking-house of the defendants, in the Strand, to make inquiries relative to the missing securities of Dr. Griffith. Mr. Strahan told me that they would not be forthcoming. I asked what had become of the securities, and Mr. Strahan replied, "They were either sold or pawned." I think Mr. Bates was sitting in the room when Mr. Strahan used these words, and Sir John Paul, I think, was up stairs at the moment. The conversation took place in the parlour at the back of the premises. I asked Mr. Strahan if there was not a book in the house containing a record of these transactions, and an account of the securitees deposited in them? The defendants looked at each other, but made no reply. None of Dr. Griffith's securities came into my possession that I am aware of. Other securities did, with the names of the owners attached to them. On the day of the bankruptcy (the 11th of June) I took possession of the money in the house. By Mr. Parry—I can't say that Mr. Bates heard the conversation between Mr. Strahan and myself.

Evidence to complete the point relative to the purchase of the bonds having been given.

Mr. James Allen, formerly clerk in Strahan and Co.'s bank, and now clerk in the Temple-bar branch of the London and Westminster Bank, recited from the day-books of the firm certain entries, relating to the dividends of Dr. Griffith (the coupons relating to which were cut off by

himself), extending over a period of five years preceding the bankruptcy, and accredited to the prosecutor.

Mr. Joseph Simpson Beattie, Mr. Thomas Allen, and Mr. J. S. Logan, also formerly clerks in Strahan's bank, and subsequently clerks to the Temple-bar branch of the London and Westminster Bank, gave similar evidence with respect to dividends received and accredited to Dr. Griffith.

Mr. Alexander Beattie, the witness whose absence abroad had caused the delay of the present inquiry for so long a period, was next examined. He said—I reside at Tunbridge Wells, and am a director of the National Assurance Society. I remember, in the latter part of the year 1853, Sir John Paul came to me, as a personal friend, and requested a loan of £20,000 upon certain stock. I informed him that the society with which I was connected did not grant loans in the way proposed, and referred him to the Stock Exchange. In March, 1854, he came to me again, respecting a similar loan upon foreign securities, a memorandum of which he gave me at the time; there being a difficulty about raising a loan upon them, he expressed a wish to sell the securities, and I undertook the negotiation for him. The securities were handed to my brokers, Messrs. Foster and Braithwaite, who sold them for £12,281 5s. The amount was paid into my bank by two cheques, and I afterwards gave Sir J. Paul a cheque upon my bankers for the same.

Mr. J. R. Gibson, formerly clerk to Foster and Braithwaite, deposed to having received the bonds referred to from Mr. Beattie. They consisted of £10,000 Three per Cents., and £5,000 Five per Cent. Danish Bonds. [The numbers of the securities were read, to show that they were Dr. Griffith's.] Mr. Bodkin—I suppose the bonds were afterwards sold by your principals? Witness—I believe so; but I had nothing to do with the sale of them. I did not see the cheque.

Mr. F. Budd, clerk to Foster and Braithwaite, produced the two cheques drawn by his employers in favour of Mr. Beattie for the bonds in question, in March, 1854. The securities were afterwards sold in the market.

Mr. Bodkin said he did not think it necessary to incur the depositions with any further evidence in support of the charge. On behalf of the prosecution, therefore, he asked for the committal of the prisoners, to take their trial at the next session of the Central Criminal Court.

Mr. Parry contended that the evidence, as it at present stood, had failed altogether to implicate his client, Mr. Bates, or to connect him in any way with the negotiation of these securities. Doubtless his name constantly appeared in connection with the purchase of the bonds on behalf of Dr. Griffith, but there was not a tittle of evidence to show that he was ever concerned in their appropriation; and, of course, the fact of his being a partner in the firm was not of itself sufficient to identify him with the transactions in which the other defendants were involved. He was certain that no one was more anxious than Sir John Paul and Mr. Strahan themselves, that full justice should be done to Mr. Bates in this respect.

Mr. Jardine—I am anxious to avoid saying anything that might tend to prejudice the case against the prisoners, but I believe there is a strong presumptive evidence of their guilt, and I see no reason to make any distinction in favour of either of them. They must have been equally cognisant of the way in which Dr. Griffith's securities had been disposed of. I shall commit the three prisoners to take their trial at the ensuing sessions of the Central Criminal Court.

The prisoners were then fully committed.

Mr. Jardine—Upon the subject of bail nothing has been said at present; but, after the evidence which has been produced since the amount of the securities was originally named, I feel it my duty to require an extension

of the recognizances. The prisoners must each find two securities of £5,000, instead of £3,000, besides entering into their own recognizances in £10,000, to appear at the Old Bailey to answer this charge.

After an ineffectual attempt by Mr. Parry to induce his worship to alter his decision in regard to the extension of the bail,

The same sureties were accepted, with the sanction of Mr. Bodkin, and the proceedings terminated.

At the Central Criminal Court, on the 18th September, the grand jury returned a true bill against all the defendants, and on the following day, as soon as Mr. Justice Crompton and Mr. Justice Crowder took their seats upon the bench, the defendants entered the Court ready to surrender. The Attorney-General, Mr. Bodkin, and Mr. Poland appeared for the prosecution. Mr. Ballantine appeared for Sir John Paul and Mr. Strahan; and Mr. Parry attended on behalf of Mr. Bates.

Mr. Ballantine, addressing the Court, said he was instructed to apply for a postponement of the trial. The defendants were only committed on the 12th, and the attorney for the defendants had only been able to obtain a copy of the depositions on the previous day.

Mr. Justice Crompton said that, before the application could be entertained, the defendants must surrender and plead.

Mr. Ballantine said he had no objection to this course, and the defendants then surrendered. They were allowed to stand behind their counsel, and were not placed in the dock.

Mr. Ballantine then renewed his application, and said that the grounds upon which the postponement was asked for were, that the defendants had really not had time to prepare to answer the charge. The indictment was one of a very special character, and the exhibits alone filled seventy sheets, and these documents had only been obtained on the previous Saturday.

The Attorney-General said he felt that he could hardly oppose the application that had been made, but at the same time he must observe that the charge had been under investigation for a considerable period, and the legal advisers of the defendants must have been perfectly well aware of the nature of the charge. The only difficulty that appeared to him in the case was with regard to the fact, that the defendants were bound to attend at the Court of Bankruptcy on the 9th of October, and if they failed to do so, they would be guilty of felony; and this might create a question in the further prosecution of the proceedings, and also with regard to the recognizances.

Mr. Ballantine said he would undertake that an application should be made by Mr. Lewis, the attorney for the defendants, to the Commissioner, to postpone the day for the final examination, and he apprehended that the application would, under the circumstances, be at once acceded to.

The Attorney-General expressed himself satisfied with this undertaking, and said that the defendants would, of course, be required to enter into fresh recognizances.

Mr. Justice Crowder said, of course, as they had surrendered, the recognizances must be renewed.

The defendants and their sureties then entered into recognizances in the original amount, namely, each in the sum of £10,000, with two sureties of £5,000 each, and they then left the Court.

The *Times* thus criticises the delinquencies of the firm, dealing in a broad spirit with the disclosures already made public:—

Sir John Paul and his partners, Messrs. Strahan and Bates, have been committed by the sitting magistrates at Bow-street to take their trial for the extensive frauds which are laid to their charge by Dr. Griffith. Of

course, at this stage of the proceedings, it is our duty to abstain from all remark upon the evidence produced, which must be left for the consideration of a jury. It was, indeed, of a formal and technical character—just what was necessary to connect the prisoners with the misappropriation of the securities in question. As many of our readers as desire more exact information upon the subject, need only turn to the police report of the day, and they will there find an account of the proceedings in full detail. The transaction is one of such enormous public interest that we cannot pass it over altogether without comment, but this comment shall be strictly confined to such general considerations as cannot prejudice the interests of the prisoners at the forthcoming trial. Nothing that we can say can at all increase the indignation which is universally felt against these men, who have brought ruin upon so many families, carried desolation to so many hearths, and so deeply shaken the foundations of commercial credit. What renders the case worse is, that all this vast network of fraud was woven under the pretensions of superior sanctity and religious zeal. Sir John Paul, we said but now, has shaken the foundations of commercial credit. He has done worse. He has done all within his power—and, unfortunately, a great deal lay in his power—to destroy the belief in virtue and morality. If this man has dealt so recklessly with the property of his clients and customers, in whom can we trust? No one wore so broad a phylactery as he; no one was more intimately mixed up with the religious and charitable institutions of the day; no one sought for and obtained a higher share of public respect and confidence, and no one deserved it less. We must, however reluctantly, resign ourselves to the belief that men of business look to the religious spirit of the public as a useful aid in their operations. Religion is to them as an advertising van, or a gaudy shopfront, or a poetic effusion from Moses and Sons. They trade upon the Bible as a Barnum did upon the Peejee mermaid or the woolly horse. With all our experience of human nature—and some strange stories have been recorded from time to time in our columns—we have never heard of a grosser instance of villany than that of this “most seeming virtuous” banker, who, with his pockets stuffed full of the securities which he had abstracted from his customers, could go down to Exeter-hall, and take the chair at some religious meeting of which he was the leader and the idol. If hypocrisy be the homage which vice renders to virtue, no one paid in so large a tribute as Sir John Paul. We must seek in the pages of fiction for his parallel—the Tartuffes, and Mawworms, and Cantwells alone can furnish an idea of this arch-imposter of midday and of the working world.

Shortly, he and his colleagues are to be placed at the bar of the Old Bailey for trial. At that bar, just thirty-one years ago, Fauntleroy was found guilty of an offence not one degree more heinous than that with which Paul and his colleagues are charged. As all the world knows, he was executed, and Sir John Paul may thank the humane spirit of our modern laws that he, too, at this moment, is not in imminent danger of an ignominious death. Fauntleroy's offence was, that he had forged a power of attorney for the transfer of stock; Paul's, that he has abstracted securities deposited by a client in his hands, and applied them to his own purposes. Fauntleroy's crime entailed upon others a loss of about £250,000 sterling; that sum, we fear, would but very partially cover the deficiencies in Strahan and Paul's accounts. But Fauntleroy's offences, when weighed in the scale of morality, cannot be looked upon as equivalents for the heinous acts of the banking-house in the Strand. He made no pretensions to be a Prince in Israel, a saint among the saints; he was a man of pleasure, a jovial companion, and a forger—that was all. He suffered death upon the scaffold, and his fate was a warning to all. He did not, however, desecrate

religion, and put arms in the hands of all persons who are wont to sneer at virtue and morality, and in so far he was much less guilty than his recent disciples. At his last moments, as we read in the records of the time, he presented a melancholy spectacle of agony and despair; there was nothing certainly in his fate which could incite a falling man to disregard the wholesome restraints of morality and religion. There is one remarkable point connected with the proceedings which have been taken against these offenders. We remember few instances of atrocious crime in which a morbid sympathy has not been expressed for the criminals. Whether it was a woman who had strangled her mother, or a mother who had poisoned half a dozen of her children for the sake of the burial-club bonuses, there has invariably been somebody to come forward and declare the crime an amiable weakness—a mere backsliding, at the worst. The only case which occurs to us, in which we have not been absolutely persecuted with maudlin appeals for commutation of the sentence under such circumstances, was that of Tawell, the Quaker, who murdered his mistress at Slough. In his case, too, we believe, it was the double-dyed hypocrisy and religious pretension of the man which added so much fire to the public indignation. We have noticed the same feature in this instance of the failure of the Strand bank, productive as it has been of such wide-spread misery. We attribute the absence of sympathy to the same circumstance, and, perhaps in a less degree, to the fact that, if convicted, the prisoners are not actually placed in danger of life. When the point of chicane was raised in their favour, which has now, most fortunately, been disposed of by their own act, the ingenuity of England was on the stretch to contrive some solution for the clause in the act of Parliament which should preclude the possibility of their escape.

At this moment, and although four months have elapsed since the declaration of bankruptcy, during which the subject has been canvassed on every side, we are unable to suggest any rational explanation of the immensity of this failure. The evidence given at Bow-street shows that Sir John Paul, two years ago, was passing from one spot to another hawking about the securities of his customers. We apprehend that the deficiency and embarrassment have been of far earlier date, but, until the last ten years or so, such as could be fenced off from month to month without a public explosion. The railway panic must have shrewdly tried a falling concern, and from that time to the present the partners must have had recourse to one series of experiments more desperate than another to avert, for a brief space, the crash which in the end was inevitable. Meanwhile, they lived like men of large fortune—we speak particularly of Paul and Strahan; they had town-houses and country-houses, picture-galleries and equipages; they gave costly entertainments, and maintained all the external appearance of wealthy men at the expense of their deluded customers. But extravagance alone would scarcely have produced such a result—folly might; but folly and extravagance combined were an infallible recipe for commercial failure. It is really sickening to hear of the straits to which families have been reduced by the frauds of these most unprincipled men. Widows have been ruined—orphans thrown helpless on the world—and old age left destitute, that Messrs. Strahan, Paul, and Co. might keep state a little longer against fortune and against hope.

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### THE GENERAL RESOURCES OF RUSSIA.

RUSSIA is, perhaps, the only country of political Europe, of which the government has not adopted the practice of rendering an annual account of that condition of its receipts and expenditure which we distinguish by the title of "Budget." In the absence of such a statement, and being left in a great measure to conjecture, it is difficult to arrive at a correct estimate of the state of its finances, and all speculations on the subject must, in consequence, be more or less subject to error. When, however, it is considered that the relation between the extent of the Muscovite territory, the number of inhabitants it contains, the products of their cultivation and of their industry, the imports and exports of their commerce, are all known, and capable of comparison in detail with those of other European nations; that the same is no less true of many of the different branches of the revenue and expenditure, the quota of the taxes, the amount of the public debt, and the rate of interest which it bears, as well as the quantity and description of the paper money in circulation; it will be perceived that the problem is easier of calculating than at first sight appeared, and may be resolved by figures closely approximating to the truth.

For the statistical portion of the following paper, we are indebted to the information furnished by the works of Kœppen, Haxthausen, Storch, Petzholdt, Tengoborski, Reden, and other authors, who, with different political views and opinions, have recently written upon the subject in question; and to whom consequently, in default of any official exposition of affairs, recourse has been rendered necessary.

Previous to the commencement of the present century, the single fact which appears to have been known with reference to Russian economy was, that the resources of the empire were by no means proportionate to the extent of its territory, and that the most puissant of European monarchs was at the same time the poorest.

The revenue of Peter I., even in times of his greatest prosperity, never amounted to 8,600,000 roubles (£1,360,000 sterling). It augmented, however, considerably under his successors, and in 1782, after an interval of seventy years, Catherine II. drew from her vast dominions nearly six times this sum, or upwards of £7,000,000 sterling. This was again doubled during the twenty years that followed, the revenue of the Emperor Alexander, at the commencement of the present century, being valued at about £14,000,000. It was, not however, until the year 1810, notwithstanding the war, or rather in consequence of the activity which it occasioned, and the necessary augmentation of the imports, that the finances of this country acquired an importance commensurate with that of the state itself. Storch and Wichman have estimated the revenue at this period at £19,000,000. Malchus, however, in his statistics, fifteen years later, towards the accession of the late Emperor Nicholas, was far from placing it so high: according to his calculation, the total revenue of the empire, including that of the kingdom of Poland, did not amount to £16,000,000. Notwithstanding it might be expected that the calculations would acquire greater exactitude, in proportion as the condition and resources of the country became better known, the results are found to vary considerably, and it would be impossible to arrive at any correct conclusion on the subject from the works of Balby, Schnitzler, Schubert, Murray, and Macculloch, which all differ too materially from one another to be regarded as accurate.

One principal source of the Russian revenue is derived from the tax levied upon domains and appanages. This tax, denominated *Obrok*, ori-



ginally a personal contribution by the peasants, has been in a great measure converted into a fixed charge upon the land.\* The proceeds may be valued, either by way of capitation, amounting to 2·60 roubles (about eight shillings and three pence) for the peasants of the crown, and 2·86 roubles (nine shillings) for those of the nobles; or in its commuted form, which varies from 2·80 to 3·35 roubles (from eight shillings and ten pence, to ten shillings and seven pence). The total product of this tax, including the charge upon the serfs, properly so called, which is taken somewhat higher, viz., 5 silver roubles (about fifteen shillings and ten pence) per head, is upwards of six millions sterling.

In the same class of duties must be included (1) those levied upon the products of the mines, the pood of gold (the pood = about 36 lbs. avoirdupois) being taxed at £1,980 sterling, in the mines belonging to the crown, and at 10 per cent. of its intrinsic value in those worked by private individuals or companies; the total, comprising the receipts from the railways and the telegraphs, amounts to about four millions and three-quarters sterling; (2) the contributions in kind for the service of the state, furnished by the so-called *free* peasants of the Crown domains, and those of the estates of the nobles. These consist of transports and conveyances for the government officials, and for the army, the maintenance and repairs of roads and bridges, supply of grain for the magazines and victualling departments, of which the value is estimated at about three millions sterling; (3) the contributions in money for the expenses of administration and justice, military pensions, &c., amounting to one million and three-quarters sterling; (4) the royalties and monopolies, such as the excise upon liquors, acquitted in most of the governments by a license of 58 kopecks (silver) for right of sale; the duty upon salt (at the rate of 31 kopecks the pood), &c.† The gross sum of these duties, including the tax upon brandy, amounts, for the city of St. Petersburg alone, to two millions and a-half, and throughout the whole empire to upwards of twelve millions sterling. The total of this branch of the imposts yields, then, about twenty-seven and a-half millions sterling, or nearly 75 per cent. of the whole revenue of the state.

The direct taxes produce little more than 10 or 12 per cent. of the entire revenue. Of this class are the capitation tax, or Russian head-money, valued, after the last census, in 1851, at about three millions sterling; the tax upon guilds and privileges enjoyed by the mercantile community (such as exemption from military service, &c.); passports and permits of commerce; subsidies from the roads, &c., &c., amounting to one million and a-half, or altogether to about four millions and a-half sterling.

\* Obrok is a species of rent, paid by a portion of the peasants to their proprietors, in return for the liberty of disposing of their own time and services. M. Tengoborski, in his recent work on *The Productive Forces of Russia*, Vol. I., p. 327, states that, in 1851, out of a total of 23,370,000 cultivators, there were only 11,683,000 (a little less than one-half) forced labourers, or serfs, of which a considerable part was of the description above mentioned.

The number of peasants here stated must be understood as belonging to the nobles alone, there being in addition 21,000,000, the property of the Crown, together 44,000,000, out of a population of about 60,000,000.

† M. Tengoborski states the quantity of tobacco annually consumed at 50,000,000 of kilogrammes (about 50,000 tons English!)—revenue, 3,000,000 of roubles (£475,000), or only 6 kopecks (about 2½d.) per kilogramme; of salt, 580,000,000 of kilogrammes (580,000 tons), producing 9,700,000 roubles (£1,500,000), equal, at the above rate of 31 kopecks per pood, to about 1½ kopeck (a little more than a halfpenny) per kilogramme; and 16 kopecks, or 6½d. per head on the population.

The receipts from the indirect taxes comprise the duty upon beet root sugar (at 1s. 5d. the pood); that also on timber, received in part by the different monopolies; the fees derived from diplomas and patents; those upon stamps, the proceeds of which are assigned to the educational establishments—together, £700,000; and, lastly, the custom duties, of which the gross receipts amount only to £4,900,000, and the net proceeds to £4,550,000, about 7 per cent. being deducted for the expense of collection. Total, about five millions and a-quarter sterling.

It would be extremely difficult, if not altogether impossible, for the reasons before stated, to fix, with any pretension to exactitude, the total of the ordinary revenue of the state. On this point, most authorities will be found to differ. From the above figures (the accuracy of which may be relied on, as far as they go), it would appear to be a little above £37,000,000 sterling; and this there are good grounds for supposing to be not very far from the fact. M. Tengoborski estimated the sum for 1853 at thirty-five millions and a-half sterling, which would, in a great measure, bear out the correctness of the foregoing calculation.

In the Blue Book, recently issued by the Statistical Department of the Board of Trade, the figures of which extend down to the year 1852, the receipts for the year 1847 are stated at £24,794,735, the sources from which they are derived being divided into three heads, viz.—direct taxes, £7,275,458; brandy monopoly, £9,774,167; indirect taxes, £7,745,111: of the latter, nine-tenths, or nearly seven millions sterling, were obtained from the customs duties. Independently, however, of these returns being limited to Russia Proper—*i.e.*, exclusive of Poland and Finland—there is reason to suppose them somewhat understated. In the year 1839 they are ascertained to have been a little under £26,000,000. Now, admitting M. Tengoborski's estimate of £35,500,000 for the year 1853, to be correct, it would appear that in fourteen years the increase in the revenue of the country amounted to 35 per cent.; and further, assuming this increase to have been progressive, or at the rate of 2½ per cent. per annum, the figures for the year 1847 would stand at 31½ millions sterling. In one particular, it will be seen, a remarkable discrepancy exists, viz., the receipts from the customs duties, the average of which, for the five years from 1848 to 1852, M. Tengoborski estimates at considerably less than either of the amounts as given above (or under three millions sterling), another proof of the imperfect and doubtful character of the data from which these calculations are compiled.

To come now to the *per contra* side of the account. Here it must be confessed we are in a great measure at fault: of the revenue, we have comparatively ample particulars furnished us, but with reference to the public expenditure, entailed by the maintenance and administration of the state, scarcely an item appears. In addition to this branch of the finances being confined exclusively to the hands of individuals of whose ministry no account is either rendered or required, the "bureaucratical" system, to which everything connected with political matters in that country is subjected, rarely permits any particulars to reach the light. It results, consequently, that there exist but few details known or authenticated upon which any conjecture is to be founded.

Amongst these, however, may be mentioned: (1.) The civil list of the reigning family, amounting to £1,700,000, a sum to all appearance excessive, were it not for the fact, that the revenues from the appanages are all included in those of the state, and that several services of general utility are defrayed at the expense of the imperial "cassette." (2.) The amount of interest paid annually upon the public debt: this is stated for the year 1854 at £5,800,000 sterling. (3.) The expense of collecting the various

imposts—about 12 per cent. for the assessed taxes, and 7 per cent. for the customs—and which, in 1853, together amounted to about £5,500,000. (4.) The current administrative expenses for each department, estimated for the same year at £1,315,000 for the minister for foreign affairs, and £1,187,500 for that of public instruction. The annual expense of maintaining the army and fleet is stated, by the Baron de Reden, in a work published recently under the title of "*Resources et Moyens d'Influence de la Russie*," upon a peace establishment, at £15,420,000, i.e., £11,225,000 for the land forces, and £4,195,000 for those of the marine, deduction being made for the services performed by the peasants, and the various contributions in kind. These expenses, however, it is evident, must become considerably augmented during a period of war, and, judging from the expenses incurred during the last few years in the levy and equipment of reserves, the cost of the army alone cannot have been much less than £16,000,000 per annum.\*

This is, moreover, exclusive of the enormous sums absorbed by the war in the Caucasus, the real financial sore of Russia, and which annually consumes an immense portion of its resources, both in men and money.

On the other hand, the amount of the public debt in Russia is much less considerable for a country in which the expenses habitually exceed the revenue. This circumstance is attributable to three principal causes: in the first place, to the small amount of the deficit in ordinary times; secondly, to the large proportion of the expenses covered by the forced labour of the peasants, and the contributions both in money and kind from all the governments; and, lastly, in consequence of a portion of the state obligations having been incurred with paper money, bearing no interest, and terminable after a certain date. The total of this debt, both internal and external, was, on 1st January, 1853, between sixty-three and sixty-four millions sterling; or, including the notes of the "*caisse de crédit*," which circulate to the value of fifty millions, about one hundred and thirteen millions sterling, a sum which barely amounts to three times the revenue of the state. The external portion of this debt amounts to about a third of the first-mentioned sum, or twenty millions sterling, and is partly terminable. It is apportioned as follows:—(1) The old and new Dutch loan, valued at 57,149,000 florins (about four millions and three-quarters sterling); (2) the debt of the interior (terminable), seventeen millions and a-half; (3) consolidated stocks, both home and foreign (interminable), thirty-seven millions; (4) "*billes de dépôt*" and assignat roubles, amounting to £40,000; (5) "*billets de crédit*," or bank notes, payable on demand, to the extent, as before mentioned, of fifty millions; and (6) miscellaneous, about four millions. The above statement, however, fails to convey a correct impression of the actual indebtedness of this country: the public debt is by no means the most considerable of the obligations for which, in matters of finance, the Russian government has rendered itself liable. The greatest danger to its credit, it is known, consists in the enormity of the floating or unfunded debt; this has been estimated at no less a sum than two hundred millions sterling, exceeding by twice that of all the other European states added together. This demonstration reposes on the authority of documents emanating from the Russian government itself, and is,

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\* M. Tengoborski, in replying to an Essay of the late M. L. Faucher's, upon Russian Finance, states that the military budget of 1854, calculated upon a force of from 800,000 to 900,000 men, was taken at 84,200,000 roubles (£13,330,000), and that of the marine at 14,400,000 roubles (£2,280,000), together about £15,600,000. This sum would give an average for the army of only 100 roubles (£15 17s.) per head.

therefore, incontrovertible; even M. Tengoborski, the official apologist of Russian finance, does not question its accuracy, but asserts, in palliation of such a state of affairs, that Russia is not to be judged of by the principles which govern other countries, the conditions of credit generally not being the same. In some respects, this is undoubtedly the fact;\* but the difference will be found to consist only in degree, and not in their nature. The Russians may not be our equals, either in industry or commerce; at the same time, however, they buy and sell, produce and consume, and introduce, as far as possible, the principle of credit into their transactions. This credit is, doubtless, inferior to that of either France or England; but it finds lenders only upon the same conditions, *i. e.*, the faithful and punctual fulfilment of the engagements which it contracts.

It must be remarked, that the paper money known by the title of assignats, which formed some time since the principal credit of the country, has been almost entirely retired from the circulation, and is at present reduced to the sum of £40,000.† These assignats, or "roubles banco," were issued in 1768, and in 1817 there existed no less than 836 millions, circulating at the rate of 25 per cent. of the value of the silver rouble (equal to £33,000,000 sterling). Their redemption commenced the same year, by means of a loan of 6 per cent., and were reduced by the manifesto of 16th April, by 150 millions of paper roubles, (about £5,350,000). In 1824 there still existed 595 millions, value, at the then market rate of 27 per cent. of the silver money, £25,300,000. The ukase of 13th July, 1839, was intended to fix the variable relation between the paper and the silver money, by lowering definitively the value of the silver rouble to 3½ roubles banco. A new issue of paper money took place in 1840, by aid of the institution called the "Dépôt," established by an ukase of 1st January. At length, in the following year, the government, by an ukase of 1st July, founded another project for the issue of 30 millions of silver roubles (£4,700,000), in coupons of 50 roubles, bearing interest at the rate of 4½ per cent.; this is the only description of paper money now in circulation. The solvability of this undertaking was guaranteed by all the credit establishments in the empire, the loan bank and other institutions being charged to receive these notes in exchange for silver. A fund, destined to secure its operations, of which the sum in specie should represent at least the sixth

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\* The following extract from M. Tengoborski's recent work on the productive forces of Russia may prove apropos to the subject of credit in that country:—"The system of real security exists with us only in Poland and the Baltic provinces; the only description of security recognised by the legislation of the empire, is that of the lender taking into his actual possession, in pawn, the land of the party to whom he advances money on loan; this is termed by the Russian law, "zakladmja." A credit of this kind cannot be considered very favourable to the progress of agriculture. Personal credit is also in a loose state with us; the rate of interest on loans among individuals is exceedingly high; to pay from ten to twelve per cent. is by no means an unusual circumstance for even solvent borrowers. This precarious condition of personal credit is attributable mainly to two causes: in the first place, to a want of economy, a taste for luxury, and a general inclination on the part of the population to live beyond their means; and, secondly, to the mechanism of our judicial system and forms of process. In the recovery of the simplest debt, vouched for by regular legal documents, the creditor is frequently exposed to long and vexatious delays. With credit so costly, it may be conceived that improvements, to be paid for with borrowed money, will not readily be undertaken."

† In a few of the provinces the custom is still preserved of reckoning in paper roubles, representing in value two-sevenths of a silver rouble.

of the amount put into circulation, was besides formed in the citadel of Pétropawloskoi. Notwithstanding the issue of fresh "billets" during the succeeding years, this reserve increased to such an extent that, in 1847, the sum in specie amounted to upwards of £16,000,000 sterling; such an accumulation of funds surpassed all expectation, and at length determined the government to appropriate a portion of the reserve for the purposes of a new operation. By the advice of the Council of Finance, it was resolved by an ukase of the 12th April, 1847, to purchase French and English Stocks to the value of 40 millions of roubles, or £6,300,000 sterling. This is the explanation of the affair which, at the time, created so much astonishment in the money market of this country, and which, cleverly negotiated by Count Kisselef, Minister Plenipotentiary at Paris, induced everybody to believe that Russia possessed more money than she knew what to do with. Henceforth a certain number of these foreign securities formed a portion of the capital reserve of this Dépôt. The official revision of its treasury, made on the 4th February, 1852, reports this fund at that time to have been upwards of £22,000,000 sterling, of which sum about £20,000,000 was in specie, and the remainder in securities; and the report prepared on 14th July, 1853, by the various credit establishments, announced the deposit of a fresh sum of nearly three and a-half millions sterling in the fortress of Pétropawloskoi. The same report states that, in the period of eight years to 1st January, 1853, there had been issued 26 series of "billets," each of £475,000; the total then in existence, deduction being made for the value of those withdrawn from the circulation, amounting to £49,250,000, or, as elsewhere stated, in round numbers, £50,000,000, a sum equal to the entire circulations of the banks of France and England. The ancient paper money, which amounted in 1841 to 595 millions of paper roubles, and 24 millions of silver ditto, in notes of the "*caisse de dépôt*," together about £29,000,000 sterling, was reduced in 1853 to the insignificant sum of £40,000, notwithstanding the apparent success of these financial operations, from which it may be easily discovered that in Russia credit reposes on authority, much more than on the solvency of the country. The enormous expenses entailed for some months past by the war, will soon oblige the Government to have recourse anew to the aid of paper money, and all the expedients necessary to avert the ruinous consequences.\* Institutions of credit, it has been observed, are not compatible with a state of despotism. The monopoly of power leads inevitably to that of everything else. The credit and circulation are both in the hands of the state, and the reserve funds of the credit establishments being at present almost entirely converted into notes, offer only a fictitious guarantee, little adapted to inspire confidence in a country where the spirit of enterprise may scarcely be said to exist. We have already witnessed fresh paper issues, a depreciated currency, and a forced loan. The emission of the last series of "billets" having been productive to the Treasury of very little money, the conversion of these notes into real assignats will probably be the final result. This has already taken place in several parts of the empire, and particularly in the principalities.

It seems to be admitted by most writers on this subject, that the extraordinary expenses incurred by Russia in maintaining its army and fleet upon their present war footing, amounts to very nearly the whole receipts of

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\* An ukase of 18th January, 1854, decreed the issue of six new series of "*billets*," each of three millions of roubles, redeemable in eight years, in coupons of fifty roubles, bearing interest at 4  $\frac{1}{2}$  per cent. The issue of the 37th and 28th series dates from 17th February, 1854.

the budget, and involves a considerable annual addition to its floating debt. This increase has been variously estimated at fifteen to sixteen, and, by some authorities, as high as twenty millions sterling. M. Tengoborski himself is constrained to admit that, if the war continues, it will be necessary to augment the army to 1,250,000 men, thus increasing the military budget by the sum of fifty millions of roubles. The total expense (marine included) he places at twenty-four millions sterling, adding, however, that Russia can easily enlarge its public debt, if need be, by fifty or a hundred millions. Now it is known that, in ordinary times, and with a reduced expenditure, Russia has never been enabled to meet, except by means of loans, the deficit occasioned annually in its budget. Where then, it may be asked, is the money to come from now? If the government could have borrowed so readily from its own subjects, is it probable it would have appealed so constantly to strangers? Repelled, as we have seen, from all the money markets of Europe, it is obvious that the emergency can only be encountered by new issues of "*billets a terme*."

The blockade of the ports, and consequent suspension of its foreign commerce, must serve also seriously to add to the financial embarrassments of the country. We are aware that an opposite and very erroneous opinion prevails upon this subject. It has been contended—and amongst other advocates of this extraordinary theory is to be numbered M. Tengoborski himself—that if the foreign commerce of Russia was completely paralysed, the prosperity of the country would not be seriously affected thereby; because, as he states, "the total amount of its imports and exports does not equal in value a sixth of that of the commerce of the interior." A slight examination of the facts, however, will be sufficient to expose the fallacy of such an argument. In all countries, it happens that the exchanges effected between the inhabitants themselves possess a superior importance to those which are made with foreign nations; the relation, however, which circumstances—such as the diversity of climate, the peculiarity of habits and products of the people, &c., have contributed to establish between different nations, cannot be relinquished, or even interrupted, without entailing a certain amount of injury. To Russia, perhaps, the sacrifice would be greater than to other countries, the value of these relations consisting more in their nature than in the actual sum which they represented. Russia, it is known, was paid six months or a year in advance for much of the merchandise which she exported, and thus the foreign commerce served to supply the funds by aid of which the trade of the interior was promoted. If any doubt, however, existed on the subject, it must be effectually dispelled by the intelligence which reaches us almost daily of the condition of commercial affairs in that country. In consequence of the blockade, it is stated, the greatest part of the manufactories, dependent upon imported raw produce, are at a stand still; the effects are most severely felt in the inland provinces, where the state, the emperor, the imperial family, and the highest nobility, all belong to the class of proprietors of manufactories, in which they have embarked the principal part of their fortunes. The Steam Navigation Company of the Wolga and Kama, established in 1844, under imperial patronage, has just been wound up, and dissolved. An insurance business, conducted by a branch of this company, is also at an end. The Altai and Nertschinski Gold and Silver Mining and Smelting Works, which have been under the direction of the Ministry of Finance since 1830, are now put under the

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\* The Ural Mountains yield, on an average, about three millions and a-half of gold annually, but gold is reported to be bought too dear in Russia, its annual cost to the country leaving no profit on its produce.

protection of the imperial cabinet, with the announcement, that as the latter is not in a position to assign it any capital to work with, the state treasury will for the present supply what is necessary for current expenses.

By recent advices from the Danube (published in the *Allgemeine Zeitung*), we learn that the necessaries of life, such as salt, coffee, sugar, iron, coals, &c., have advanced in price to an unexampled extent; the stock of the latter article for the imperial navy, will scarcely last until the winter, although government has taken possession of all the private stores. Under these circumstances, the St. Petersburg Gas Company can supply no more gas, and the large iron foundry and machine works at Katharinenhoff have also been stopped in consequence. It is even added, that a third year of blockade must dictate to Russia conditions of peace.

Much misconception, too, exists with reference to the population of Russia, and the apparent facility with which the recent enormous levies of troops have been carried out in that country. In this respect, at least, her resources, it has been represented, must be illimitable. Such a conclusion, however, appears scarcely warranted by the real facts of the case. In the first place it must be premised, that the strength of a population consists in its relative proportion of men to the soil. Russia, it is true, possesses a population of upwards of 60 millions;\* yet, vast as this number may appear, when compared with its extent of territory the average will be found to give but about eight men to the square mile; France, at the same time, numbering 170, and England, 230. In the province of St. Petersburg, the average is one soul to every twenty-five acres; in Archangel one to fifty; and in some other districts, it descends as low as one to 380. There exists but two towns in the whole empire containing upwards of 100,000 inhabitants, viz., St. Petersburg and Moscow; the former numbering 481,352, and the latter, 353,259. The average term of life, moreover, is stated to be only twenty years; no very desirable resource, it must be confessed, from which to recruit its numerous forces.

The following extract from the work of M. Tengoborski may serve in some measure to disabuse the public mind upon this point:—

“In consequence of the disproportion which exists in a great part of the empire, between the number of the population and the extent of the soil, labour is usually more valuable than the land, elsewhere the land is generally more valuable than labour. In valuations of real estate, it is not so much the extent of productive soil, as the number of peasants that serves as the basis of calculation.”

And for further information, we have only to refer to the revelations published by “an eye witness” in a recent number of *Blackwood's Magazine*. The picture there presented of the system of recruiting in operation, and the ruin which it entails upon the landed proprietors, must be sufficient, it would be imagined, to convince the most sceptical on the subject. Of the conscription, he says—“This in time of peace does not take place oftener than once a year, and the number of recruits required is generally seven from every thousand serfs, but since the war broke out there have been two conscriptions in the year 1854, and already one in 1855, each of twelve in the thousand, being, in eighteen months, thirty-six able-bodied labourers out of every thousand males, old and young together; and this is not all, when the recruits are sent to the town to be examined, and passed by the proper authorities, there must be for every twelve men, at least eighteen more, in case the others should be rejected, these are

\* The population of Russia has been variously estimated, by M. Tengoborski at 68 millions, and by other authorities as low as 53 millions; probably the truth is somewhere between the two, or about 60 millions, as above stated.

sometimes kept away from their work two or three weeks, without any indemnity whatever. Every proprietor in addition is obliged to pay a sum of money (about £8), to provide the recruit with an outfit, and to arm him.

The total acreage of Russia proper, *i. e.*, Russia in Europe, exclusive of Poland and the province of Finland, is 1,688,905,251; of this immense extent of surface, 611,778,027 acres are waste and unreclaimed; 433,943,012 in timber; and of the remainder 241,205,861 belong to the crown, 112,933,310 to private individuals, and 39,138,242 to municipalities; about one-eighth of the whole, or 218,387,516 are arable, and 107,971,138 meadow. The total produce of cereals in Russia is stated by M. Tengoborski at 260 millions of *tchetverts* (about 190 million quarters) annually. Enormous as this estimate appears, it nevertheless approximates closely to others which have been formed upon the subject. From returns published for the year 1849, the quantity of wheat produced appears to have been 67,419,156 quarters, of other sorts of grain 97,873,293 quarters; besides 12,752,573 quarters of potatoes. Deducting, therefore, 9,000,000 quarters, the maximum quantity which M. Tengoborski thinks the country is capable of exporting, together with a tenth of the gross produce as the amount required for seed, there still remains upwards of 150 millions of quarters for consumption, equal to about two and a-half quarters per head on the population. It may be observed, that the mean annual consumption of corn in England, reduced to the standard of wheat, has been calculated at about a quarter for each individual, young and old. In France, where more bread and less animal food is consumed, it is somewhat higher, (about ten bushels), and in Russia probably still more so. The system of agriculture followed, allows one-third of the land to remain fallow, and deducting this quantity from the number of arable acres stated above, the produce upon the remaining 145,000,000 would average about one and a-quarter quarters per acre.

In the same year, 1849, there were calculated to be in Russia 17,456,503 horses, 21,228,240 horned cattle, and about 28,000,000 of sheep.

In 1852, the total value of goods imported into European Russia was only £13,160,409, the exports for the same year being £15,041,371; of the imports £3,901,709 were English, and £1,367,706 French; exports, £6,789,938 English, and £1,098,995 French. The war consequently has occasioned an interruption in the commercial relations of that country, partial or entire, to the amount of £13,000,000 sterling.

Allusion having frequently been made in the course of the foregoing pages to M. Tengoborski's "*Etudes sur les Forces Productives de la Russie*," a translation of which has recently appeared in this country, it may not be out of place, perhaps in conclusion, to devote a few remarks to the consideration of a work that has attracted so great a share of public attention. This work, consisting in its original form of two volumes, has been well known for some time past, both in France and Germany, where, if we mistake not, it has reached a second edition. The portion lately presented by Messrs. Longman to the English public is divided into two parts, the one termed by the author, "*Physical and Natural Productive Forces*," and the other, "*Intellectual Productive Forces*," the first being in its nature statistical, and illustrated throughout by tables and their exposition; the second relating more particularly to agricultural products, and the industrial occupation connected with them. In this, as well as all his other publications, M. Tengoborski must be regarded as the organ, professedly, of the government which he serves; and whilst according him all the merit which is due, and deservedly so, to the great labour and research displayed in the compilation of the statistical information contained in the book in question, it is nevertheless necessary to observe, that the general extra-



vagant character of its details is calculated materially to qualify the amount of confidence to be placed in them. This arises from two principal causes: in the first place, the doubtful accuracy and insufficiency of the data at his command; and, secondly, his position as privy councillor, and member of the council of the Russian empire, which exposes him to the charge of that systematic deception, necessary to the very political existence of all employés of the state.

### MERCANTILE SUSPENSIONS.

ALTHOUGH the money market has been in an unsettled state during the month, credit has been well maintained, and the only difficulty announced has been in connection with the affairs of Messrs. C. J. Mare and Co., shipbuilders, of Blackwall.\* The suspension was reported on the 20th of September, and the *Times* thus intimated the unpleasant intelligence:—

“For some days past the acceptances of the large shipbuilding firm of Messrs. C. J. Mare and Co., of Blackwall, have been lying over unpaid, but it was hoped from hour to hour that an arrangement might be made to honour them. This anticipation, however, has been disappointed, and it is understood that a meeting of the creditors of the house will be shortly held, when a balance-sheet will be submitted, together with such proposals as may seem best to secure their important works from being interrupted. Notwithstanding the great extent of the business of Messrs. Mare and Co., an impression is entertained that their liabilities, apart from their debts to private connections for advances, which are understood to be very heavy, are not much beyond £70,000. The fact of the firm having become embarrassed has excited universal surprise, since they have enjoyed for many years orders and contracts of a gigantic and most profitable description, not only from the large steam companies, but also from other quarters, and especially of late from the Government. The establishment is still going on, the workmen having up to the present time been regularly paid, and it will be very satisfactory if the accounts about to be presented should show that the existing difficulty arises mainly from a lock-up of capital, and is such as to allow the works, under proper supervision, to be continued without interruption.”

The next announcement was to the following effect:—

With reference to the affairs of Messrs. C. J. Mare and Co., it transpired to-day, in the Bankruptcy Court, that Mr. Mare has availed himself of the provisions of the Private Arrangement Act of 1849. The following circular has, at the same time, been issued to the creditors of the house by the accountants engaged in investigating its position:—

“57, Coleman-street, London, Sept. 20.

We beg to apprise you that we are engaged in investigating the affairs of Mr. Charles J. Mare, of Blackwall, with the view to prepare and submit a statement of them at the earliest possible period.

The financial pressure which has rendered this course expedient will, it is hoped, prove but temporary, and that such arrangements may be speedily made as will prove satisfactory to all parties interested.

The great extent and important character of Mr. Mare's concerns, and the peculiar nature of the establishments necessary to their conduct, render it a matter of essential moment that no hasty interference should take place with the current operations of his business, in order to avoid which,

\* Since this was written, the firm has passed into the *Gazette*, with the view of protecting the general interests of the creditors.

Be pleased to furnish us, at your earliest convenience, with a statement of your account, and of the particulars of the securities (if any) held by you.

QUILTER, BALL, AND Co."

THE *Moniteur* publishes the following monthly debtor and creditor account of the Bank of France, made up to the 13th of September:—

**Certified by the Governor of the Bank, D'ARGOUT.**

This return exhibits very unfavourable results, and shows that the reaction on the Bourse would have been much more severe, if the cautious course had been pursued of contracting the amount of notes in circulation in proportion to the drain of specie. In the latter there has been a falling off of £2,000,000; and as, with the exception of a slight recovery in the previous return, owing to the effect of the payments on the loan, there has been a steady decline for the last five months, the total diminution since the drain commenced has now reached the sum of £8,000,000. In the face of this, the note circulation in the present return exhibits an increase of £1,300,000. With regard to the other items, the chief variations are a decrease of £1,300,000 in the discounts, and of £300,000 in the advance on stocks and shares. The Treasury account has been reduced £5,000,000, and the private deposits £450,000. Looking at the existing state of the exchanges, and the large shipments of specie to the army, which will still continue, it seems probable that, unless some decided turn should soon take place, the Bank will be obliged to raise its rate of discount.

## TRADE OF THE UNITED KINGDOM.

The Board of Trade returns for the month ending the 31st of July were issued on the 20th of August. Compared with the corresponding month of last year, they show a falling off in the declared value of our exportations of £1,249,249. At that period, however, the shipments to Australia and New York were at their height, and the total was consequently unusually large, exhibiting an increase of £377,165, even over the prosperous month of July, 1853. Up to this time last year, a large increase was exhibited in the returns of almost every month, but the recession commenced immediately afterwards: and it will probably be found that the totals for the remaining months of 1853 will present more favourable comparative results. On this occasion, the reduction in cotton manufactures has been on a scale fully to account for the recent heaviness in the Manchester market. Woollen manufactures, metals, haberdashery, and hardware, are the other principal items on the unfavourable side. The following table shows the exact increase or decrease in the exportation of each article:—

## DECLARED VALUE OF EXPORTATIONS.

Month ending Aug. 31st. 1854. and July 31st. 1853.	1854.	1853.	Increase.	Decrease.
Alkali—viz. soda ... ..	44,567	34,763	—	9,804
Beer and ale ... ..	105,542	125,115	22,573	—
Bottles ... ..	36,167	60,610	44,508	—
Candles ... ..	12,965	21,672	8,667	—
Cheese ... ..	3,536	6,708	3,172	—
Coal and culm ... ..	291,570	277,756	76,066	—
Cordage and cables ... ..	27,944	20,732	—	7,212
Cotton manufactures ... ..	2,367,811	2,047,677	—	320,134
Cotton yarn ... ..	563,356	463,518	—	119,840
Earthenware ... ..	125,667	90,210	—	38,677
Fish ... ..	14,229	23,079	8,850	—
Glass manufactures ... ..	49,471	52,300	2,829	—
Haberdashery and millinery ... ..	411,233	252,740	—	158,493
Hardwares and cutlery ... ..	347,556	260,570	—	86,986
Leather ... ..	138,320	94,948	—	43,372
Linen manufactures ... ..	357,357	327,838	—	29,519
Linen yarn ... ..	60,002	86,449	26,447	—
Machinery ... ..	200,020	185,554	—	14,466
Metals ... ..	1,509,491	1,269,950	—	239,541
Oil and seeds ... ..	51,204	33,514	—	17,690
Painters' colours, &c. ... ..	25,569	25,010	—	5,579
Salt ... ..	40,595	37,020	—	3,575
Silk manufactures ... ..	161,458	106,584	—	54,874
Silk, thrown ... ..	18,215	21,177	2,962	—
Silk, twist and yarn ... ..	41,959	21,913	—	20,046
Soap ... ..	16,274	22,805	6,531	—
Stationery ... ..	70,366	52,479	—	17,887
Sugar, refined ... ..	14,376	5,785	—	8,591
Wool, sheep or lambs ... ..	100,973	130,112	29,139	—
Woollen manufactures ... ..	1,061,912	807,720	—	254,192
Woollen yarn ... ..	166,184	188,203	22,019	—
Unenumerated articles ... ..	1,067,452	972,872	—	94,580
Total ... ..	9,439,643	8,150,383		

With regard to imported commodities, an increase is again shown in the arrivals of wheat and flour. Other articles of food and luxury have also been taken largely into consumption. Tea, coffee, cocoa, sugar, wines, spices, and tobacco, all figure for a decided increase.

Subjoined are the quantities of provisions, &c., imported and taken for home consumption :—

Month ending Aug. 5th, 1854, and July 31st, 1855.	Imported.		Home Consumption.	
	1854.	1855.	1854.	1855.
Grain, wheat, qrs. ... ..	281,050	346,792	281,050	346,792
Grain of other descriptions, qrs.	247,362	313,728	247,362	313,728
Indian corn, qrs.... ..	106,677	167,298	106,677	167,298
Flour and meal, cwt. ... ..	250,364	289,227	250,364	289,227
Provisions—Bacon, &c. &c., cwt.	129,161	36,392	Free.	Free.
Butter and cheese, cwt. ... ..	77,046	77,171	79,022	76,639
Animals, No. ... ..	32,333	24,071	Free.	Free.
Eggs, No. ... ..	12,694,886	10,666,600	12,715,046	10,653,600
Cocoa, lb. ... ..	342,401	626,450	332,654	457,982
Coffee, British, lb. ... ..	6,468,830	2,236,015	2,611,570	3,104,581
Ditto, foreign, lb. ... ..	2,167,229	1,661,807	353,648	586,543
Total coffee ... ..	8,636,059	3,897,822	2,965,218	3,691,124
Sugar—				
West India, cwt. ... ..	278,360	339,595	183,456	498,662
Mauritius, cwt. ... ..	125,207	307,725	74,786	202,761
East India, cwt. ... ..	12,582	52,862	24,224	94,249
Foreign, cwt. ... ..	564,075	198,315	445,662	254,096
Total sugar ... ..	980,224	798,497	728,128	1,049,868
Tea, lb.... ..	3,977,641	4,045,246	5,086,415	8,570,331
Rice, cwt. ... ..	182,644	240,218	64,310	85,488
Spirits, gallons ... ..	943,081	997,261	348,965	323,252
Wines, gallons ... ..	1,144,390	690,755	556,437	587,602
Opium, lb. ... ..	1,103	2,855	4,285	3,053
Tobacco, lb. ... ..	223,992	1,120,926	2,397,582	2,630,189
Currants, figs and raisins, cwt....	7,662	8,314	27,087	21,141
Lemons and oranges, bushel ...	4,825	14,896	4,908	8,322
Spices, lb. ... ..	721,562	529,392	309,721	466,718
Ditto, cwt. ... ..	480	597	199	295

The following are the comparative imports and exports of raw material, showing a general diminution in the imports, with the exception of wool and tallow :—

Month ending Aug. 5th, 1854, and July 31st, 1855.	Imported.		Exported.	
	1854.	1855.	1854.	1855.
Flax, cwt. ... ..	196,105	133,131	—	—
Hemp, cwt ... ..	126,721	100,271	—	—
Raw silk, lb. ... ..	490,897	114,231	148,909	157,983
Cotton, cwt.... ..	917,997	728,635	126,724	77,377
Wool, lb. ... ..	11,195,822	16,881,695	2,513,743	3,755,672
Tallow, cwt. ... ..	51,484	85,453	—	—

*Of silk manufactures, the totals stand thus:—*

Month ending Aug. 31st, 1854, and July 31st, 1855.	Imported.		Home Consumption.	
	1854.	1855.	1854.	1855.
Silk manufactures of Europe. lb.	69,001	68,490	64,023	68,577
Ditto of India. pieces ... ..	103,562	27,082	11,417	5,067

In the importation of other articles, there have been no particular changes. Dyes and dyeing stuffs, glass manufactures, and hides and leather manufactures, have all been taken to a fair average extent. Palm oil exhibits a large increase. Metals likewise exhibit an increase, except steel and spelter. Of timber, both the imports and consumption have declined.

## **Legal Miscellany.**

**NORTHERN CIRCUIT, LIVERPOOL, ARG. 24.**

*(Civil Court, before MR. JUSTICE CROWDER and a Special Jury.)*

*Aug. 24.—BARRATT AND ANOTHER v. RAE.*

The Attorney-General, Mr. Knowles, and Mr. Manisty appeared for the plaintiffs, and Mr. Serjeant Wilkins and Mr. Millward for the defendant.

The Attorney-General, in opening the case, said that this action was brought against the defendant, the manager of the North and South Wales Bank, for having given a false character to the plaintiffs, concerning the solvency of Mr. John Hall, who was at that time a customer of the bank, and carrying on business in Liverpool as a drysalter and shipowner, under the firm of J. P. Hall and Co. It appeared that Hall, who has since become bankrupt, with uncovered liabilities to the extent of £22,000, sent his agent and brother-in-law, Mr. Bigham, who has also been since declared bankrupt, to Messrs. Barratt and Wilson, calico printers, at Manchester, on the 12th of January last, and he there ordered, on behalf of the firm of J. P. Hall and Co., various goods to the value of £840, and, upon being asked for a reference as to Messrs. Hall's respectability, at once referred them to the North and South Wales Bank, whereupon they wrote to the bank, and, on the following day, received a letter from the manager (Rae, the defendant), saying that Hall and Co. were "highly respectable, and safe for any business they might have with them." Upon this letter, the goods were supplied to Hall and Co., who afterwards resold them to Messrs. Mellor for shipment to South America, and in return received their acceptance, which Hall and Co. paid to the credit of their overdrawn account at the bank. The learned counsel submitted that this was a cause of some importance in a mercantile point of view, for representations by bankers were at all times considered matters of the greatest weight, and bankers were bound to exercise great caution in giving such answers as would not mislead parties who were referred to them. First, because they might please themselves in answering the inquiry; and, secondly, because, as in this instance, they had due notice from their customer that the application would be made to them. The question would be, whether the defendant had made a statement which he knew to be untrue. He could scarcely conceive any banker justified in

saying what the defendant had done of a man who at the very time was largely indebted to the bank.

James Wilson was then called to prove the interview with Bigham, the conversation respecting Messrs. Hall and Co., the letter written by himself and partner to the defendant, and the answer thereto, with the ultimate sale of the goods to Hall and Co. in consequence of it; and after cross-examination by Mr. Sergeant Wilkins, the Attorney-General called

John Hall, who said he formerly carried on business in Liverpool under the firm of J. P. Hall and Co.; that he opened an account with the North and South Wales Bank, in October, 1854, having previously banked with Messrs. Barned's of Liverpool, to whom he was indebted in the sum of £200. When he opened the account with the North and South Wales Bank they told him it was usual to have a guarantee, in case he required accommodation, which he said he should—to the extent of £16,000 to £20,000. He gave them as a guarantee his brother-in-law, Mr. Bigham, who at that time was considered a wealthy man in Liverpool. His account upon the 12th of January last, was about £1,200 overdrawn. He stopped payment on the 20th of February, and was eventually made bankrupt in June last. At the time he was overdrawn £1,200 they had the guarantee and a short bill for £860.

The witness was subjected to a rigid cross-examination by Mr. Sergeant Wilkins, who elicited from him that, at the date of the transaction in question, he had no idea whatever of his being insolvent; that had originated afterwards, in bad debts and unfortunate ventures with his ships; that at the time he opened his account with the bank he represented himself to be, and believed he was, worth £12,000 at least, and, upon offering them a security upon his land at St. Helen's, the bank preferred having the guarantee of his brother-in-law, Mr. Bigham, who was then in very high credit, and a member of the dock committee, as well as the town council in Liverpool, and that his brother-in-law had in some measure suffered from speculations with witness. He also admitted that the bank had no knowledge whatever of the transaction between Hall and Co. and Barratt and Wilson. The bank were now claimants upon his estate for £5,000, composed of £3,800 for returned bills, and £1,100 cash balance overdrawn.

The Learned Serjeant then addressed the jury for the defendant. He said that he discerned a look of surprise on the countenances of the jury as they heard his learned friend's opening, and the evidence in support of the plaintiffs' case. What were the facts? Why, the witness Hall had told them that he had been fifteen years in business in Liverpool, and that his brother-in-law—who, he would undertake to say, was regarded at the date in question as a man of as high reputation as any gentleman in Liverpool—had been his guarantee. Hall was then a shipowner, an oil-manufacturer, and a proprietor of large chemical works at St. Helen's, and had operations with Messrs. Barned's bank to the extent of £90,000. It was unreasonable to suppose that the banking company, with their enormous business, would subject themselves to a charge of fraud, or that they should peril their character among men of business and merchants—

At this moment the Learned Serjeant was interrupted by the jury, who, addressing his lordship said,—“My Lord, we have made up our minds that the verdict must be for the defendant, and we wish to exonerate the bank from blame.”

A verdict was then taken for the defendant.

The above report of the case from the *Times* of 25th of August is, as usual with the reports of that journal, the most correct account of the case published. In the *City* article of the *Times* of the 31st of August, however, the editor having apparently overlooked the *Times'* own report of the case,

commented with severity on the conduct of the bank. This elicited from the solicitors of the bank the following letter, which sets to rights several inaccuracies adopted by the writer from another report which it is presumed he had consulted :—

*To the Editor of the Times.*

SIR,—In the City article of to-day's *Times*, you draw attention to the recent case of Barratt and Wilson against the North and South Wales Bank. As solicitors for the defendant in that action, we respectfully crave your permission to correct some inaccuracies in the report of the case on which you appear to have founded your observations.

You state that, when the opinion of Hall was given, his account at the bank was over-drawn £1,160. It appeared, however, in evidence, that the balance against him then was only £469, and that two days afterwards the balance was in his favour £340.

You state, further, that the £630 raised on the goods supplied by the plaintiffs had been forthwith paid to the bank in diminution of Hall's debt to it. It was proved, however, that not a shilling of this money was so applied, and that the bank were entirely ignorant of the transaction betwixt Hall and the plaintiffs.

It was further proved—to show the *bona fides* of the bank in the matter—that, subsequently to their recommendation of Hall, they allowed him to get considerably further into their debt. (We were prepared to prove that they did so to an amount that increased their loss by him upwards of £1,000.)

On these grounds the jury, without allowing us to put a single witness in the box, or even our counsel to proceed with his address, unanimously declared that there was no case against the defendant, and exonerated the bank from blame; and the judge (Mr. Justice Crowder) remarked, "I confess I am very much of the same opinion."

Had the case been proceed with, we should have proved that the bank were not singular in their favourable opinion of Hall; but that he was trusted to far larger amounts than the claim of the plaintiffs, by those having the best means of knowing his actual position, as his balance-sheet shows.

From the date of the letter to Barratt and Wilson (13th February) to that of Hall's suspension (20th February), the interval is more than five weeks, and not less than a fortnight, as might be inferred from your article.

We remain, &c.,

TOWNSEND & RIDLEY.

Liverpool, 31st August, 1855.

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BELL v. BUCKLEY.

Mr. Wilde, Q.C., and Mr. Manisty appeared for the plaintiff; and the Attorney-General, Mr. Knowles, and Mr. Millward for the defendant.

This was an action brought by the plaintiff, as the public officer of the National Provincial Bank, against the defendants, Messrs. John and George Buckley, cotton spinners, near Manchester, to recover the sum of £365, being the amount of a bill of exchange accepted by the defendants in favour of a person named Thornley, who has since absconded; and the defence set up by the defendants was, that the bill had already been paid by Thornley.

It appeared, from the evidence of the plaintiff, that, when the bill was coming due, Thornley applied to the Manchester branch of the National Provincial Bank to have the bill renewed, and, for that purpose, handed

the bank a fresh acceptance of the defendants', which turned out to be a forgery. The original acceptance was an accommodation bill, given by the defendants for the use of Thornley. Upon the part of the plaintiff, it was now insisted that the original bill, which had been returned under the above circumstances, had not, in point of fact, been paid. The first bill, the genuine one, was due in April last; and a new bill, purporting to be the acceptance of Messrs. Buckley, was handed to the plaintiff, and passed through Thornley's account; and the question now raised was, whether this operated as a payment of the first bill to the exoneration of the defendants.

Ultimately, a verdict was taken for the plaintiff for £365 and interest, with liberty to the defendants to move to enter the verdict for them, if the Court should be of opinion that, upon the evidence, the plea of payment had not been made out.

## **Reports of Joint-Stock Banks.**

### **BANK OF ENGLAND.**

THE half-yearly Court of Bank Stock proprietors took place on the 20th of September, in the Bank Parlour, for the declaration of a dividend and other purposes. At 12 o'clock punctually the Governor (Mr. T. M. Weguelin), accompanied by the Deputy-Governor (Mr. S. Neave) and the other directors, entered the room, and proceedings were forthwith commenced. It was generally noticed that the attendance on this occasion was limited.

The minutes of the previous Court having been read and confirmed—

The Governor said—I have to acquaint the Court that this is one of the general quarterly courts appointed by the charter. It is also one of the half-yearly general courts appointed by the 12th bye-law, for considering of a dividend. The net profits of the half-year ending the 31st of August last were £587,032 5s. 3d., making the "rest" on that day £3,605,170 7s. 6d.; and, after providing for a dividend at the rate of 4 per cent. for the present half-year, the "rest" will be £3,023,050 7s. 6d. The Court of Directors, therefore, propose that a dividend at the rate of 4 per cent. shall be made out of interest and profits of the half-year ending the 31st of August last, without deduction on account of income tax. (Hear, hear.)

Mr. Tite—Did the Governor say, without deduction on account of income-tax?

The Governor—Yes; the dividend will be free from income-tax.

Another proprietor—And what is the amount of the existing "rest?"

The Governor—The "rest," after the payment of the dividend, will be £3,023,050 7s. 6d.

The Governor then put it formally to the Court, that the dividend proposed be declared, which was carried unanimously.

The Governor then said—I have to acquaint the Court, that the dividend warrants will be delivered and paid on Thursday, the 11th of October next.

The minutes of this meeting having been read,

The Governor further observed—I have now a communication to make to the Court on the subject of the branch which the Court of Directors have resolved to establish at the West-end of London. Urged thereto by many influential proprietors, and considering that it would be conducive to the convenience of their customers, and also to that of the public, and would likewise be profitable to the Bank, they determined, after some consideration, upon taking this step. Their first consideration was the choice of site, and, after examining into the relative



eligibility of the various localities which were offered to them, they decided that the house lately occupied by the Marquis of Anglesey, and known as Anglesey House, in Burlington-gardens, afforded many advantages which were wanting in others. Surrounded on three sides by leading thoroughfares, it combines great facilities of access with very great quiet in its immediate neighbourhood. The house itself has three frontages, is of solid construction, and well adapted for, and may be easily converted into, banking premises. Room has been made in it for the residence of an agent and sub-agent, and there is still a portion of the house which will be vacant, respecting the disposal of which the directors think it right to take time for consideration.

Mr. Tite.—Is the house, may I inquire, freehold?

The Governor.—Yes, it is.

On the motion that the Court do adjourn—

Mr. M. Clark said, he hoped the proprietors would not think of separating without tendering to the Governor, the Deputy-Governor, and the Directors the customary compliment and courtesy of a vote of thanks for their renewed exertions on behalf of the interests of the Corporation. (Hear, hear.)

Mr. Burmester said, he had great pleasure in seconding this proposition.

The vote was then carried, amid cries of "All! all!"

The Governor.—I have to acknowledge the compliment of the vote just passed, and to return, on behalf of my colleagues and myself, our thanks for this fresh recognition of our services. You will allow me now to take this opportunity of supplying an omission in my former communication, on the subject of the new branch,—viz., that it will be opened for business on the 1st of October.

The Court then adjourned.

#### ENGLISH, SCOTTISH, AND AUSTRALIAN CHARTERED BANK.

The fourth half-yearly general meeting of the proprietors of this bank was held at the London Tavern on the 29th of August, Mr. Charles Johnston, chairman, presiding.

The secretary (Mr. Pillans) read the following report:—

In submitting to the shareholders the accompanying statement, which exhibits the position of the bank at the close of the second year of its operations, the directors consider themselves justified in expressing their satisfaction with the aspect of its affairs, and their conviction that the great caution which they have, during the late crisis in Australia, deemed it their duty to exercise, in the management of the business of the bank, will receive the approval of the shareholders, and tend to secure the confidence of the public. In their last report, the directors referred to the necessity they felt themselves under, to observe the utmost prudence and care in the then "unsettled state of commercial affairs;" and no doubt the result of that caution has been a less rapid extension of business, and a smaller amount of profit than might have been obtained by a bolder course, but at the same time, it has guarded the bank against loss, and has preserved its resources unimpaired. When the last statement of account was made up, the directors thought it desirable to provide against any possible loss that might arise from the outstanding engagements to the bank, and they accordingly transferred a sum of £5,059 0s. 8d. from the profit and loss account to the reserved fund for that purpose. The accounts they have since received from the managers prove how ample the provision has been, as their estimates of probable loss are only about £1,500; and it is a pleasure to the directors, in making this statement, not only to show how small that loss is likely to be, but also to be able to say they had, by

anticipation, made more than sufficient allowance for it. The directors recommend a dividend, as in the first half of the year, after the rate of 4 per cent. per annum, and that the further sum of £240 0s. 4d. be added to the reserve fund. Should the meeting agree with such recommendations; the transactions of the year will present the following result, viz :—

*Profit and Loss Account.*

Balance for the half-year ending 31st December, 1854	...	...	...	£12,507	1	0
Deducted from bank premises account...				948	1	1
						£11,559 0 8
Balance for the half-year ending 30th June, 1855	...	...	...	8,080	0	4
Deducted from bank premises account...				440	0	0
						8,240 0 4
						£19,799 1 0

*Distribution.*

Dividend at 4 per cent. per annum, to 31st December, 1854	...	...	...	£0,000	0	0
Dividend at 4 per cent. per annum, to 30th June, 1855	...	...	...	8,000	0	0
Applied to reduction of preliminary expenses	...	...	...	500	0	0
Applied to reserved fund	...	...	...	5,299	1	0
						£19,799 1 0

From which the shareholders will see that the total net profits of the year are £21,187 2s. 1d., out of which £1,388 1s. 1d. have been applied to the reduction of the cost of bank premises, &c., £500 to that of preliminary expenses; and £5,299 1s. to an addition to the reserved fund, which fund now amounts to £6,217 7s. 7d. The shareholders are aware that the charter and deed of settlement required the whole of the capital to be paid up by the 24th of June last, and the directors are happy to say that the payment was completed before that day; and a certificate from the Lords of the Treasury has been granted, acknowledging that it has been done in strict conformity with the provisions of the charter. As all recent advices from the colonies speak of a great improvement in commercial affairs; as the whole of the capital is now paid up, and available for the purpose; and as there is every reason to rely on the zeal and ability of their officers, the directors think they may now look for a considerable extension of business; and they feel sanguine that this establishment will secure to itself a fair share of the banking business of Australia.

**LIABILITIES.**

Paid-up capital	...	...	...	...	...	£500,000	0	0
Deposit on forfeited shares	...	...	...	...	...	80	0	0
Deposits	...	...	...	...	...	162,240	1	9
Bills payable and other liabilities	...	...	...	...	...	41,769	15	2
Circulation	...	...	...	...	...	84,921	0	0
Reserved fund	...	...	...	...	...	5,977	7	3
Balance of profit and loss	...	...	...	...	...	8,240	0	4
						£803,228	4	6

*Bills receivable, including those over due, less in security.*

cash at January 1st .. .. .	£521,225	1	8
specie and bullion .. .. .	£27,004	6	11
Bank premises and furniture .. .. .	£4,052	10	3
Preliminary expenses .. .. .	£4,052	4	1
	<hr/>		
	£556,333	2	2

The statement of this report having been moved, with a resolution in approval of the dividend being made at the rate proposed.

Mr. Lushington said he was not quite satisfied with this, when other Australian banks, and all the joint-stock banks in London, had enjoyed enormous dividends and bonuses for the last two years. But he believed those large profits were frequently obtained by the large interest on loans and discount upon securities, with but little margin, which might by-and-by turn out to be lost and be managed so that there would be a great crash in some of those instances. Therefore, the small dividend of this company was, to some extent, justified. He wished to know, however, what was the amount of the money put upon various securities in the money. He observed that the accumulation of the bank, which stood at £26,000 in the last statement, was now diminished to £25,000 at this in business was not making progress. He mentioned some other items of the balance-sheet.

The Chairman replied to some of these remarks, saying, that the bills receivable, which were included in the assets, were not like ordinary bills overdue, but many of them were bills given by their own customers, to whom further time had been granted, and who had given ample security for security all those bills, beyond their amount—security of mortgage on good freehold and leasehold premises. The outside prospective estimate of loss upon the whole of them was £1,554, and the directors felt the greatest confidence in their manager and inspectors, that this was correct.

Mr. Moore also gave some explanations and assurances to the same effect.

After some further conversation, the report was adopted, and the business concluded.

### THE ROYAL BANK OF LIVERPOOL.

THE nineteenth annual general meeting of this bank was held at Liverpool, on the 19th of July. Mr. F. Shand in the chair, when the following report was read and adopted:—

The directors have the pleasure to submit to the shareholders the following satisfactory report of the result of the business of the bank for the past year.

The net profits for the year ending 30th June, 1855, after payment of income tax and all expenses, are	£68,046	16	9
From which, deducting interest on original and preference shares	£30,500	0	0
And 5 per cent. for the Contingency Fund	3,402	6	2
	<hr/>		
	33,902	6	2
There remains	£34,144	10	7

Which, with £5,104 16s. 2d. previously at credit, as per last report, increases the "Augmentation Fund" to

£39,249 6 9

The directors propose that the payment of interest from 1st January next, shall be on £450 per original share. The directors, considering the time has arrived when justice should be done to the unwearied exertions of the manager, have, by a resolution of the board, unanimously voted to him the arrears of salary hitherto waived by him.

### BANK OF BENGAL.

*Assets and Liabilities, 30th June, 1855.*

LIABILITIES.				
Bank notes and post bills	...	...	...	Rs. 1,71,47,716 3 8
Accounts current	...	...	...	92,20,172 8 10
Other claims payable on demand	...	...	...	25,521 1 9
Proprietors' capital	...	...	...	1,07,00,000 0 0
Reserve fund	...	...	...	38,489 4 3
Profits for the current half-year	...	...	...	8,32,248 5 8
				<hr/>
				Co.'s Rs. 3,79,64,147 10 11
				<hr/>

ASSETS.				
Cash	...	...	...	Rs. 85,19,641 13 1
Government securities	...	...	...	27,12,147 11 8
Dues from Government and Mint certificates	...	...	...	6,13,093 4 10
Loans on deposit	...	...	...	2,34,96,300 0 0
Accounts of credit	...	...	...	10,46,078 0 7
Bills on Government discounted	...	...	...	57,881 9 2
Private bills discounted	...	...	...	11,94,633 5 3
Protested private bills and notes	...	...	...	1,566 10 8
Interest outstanding	...	...	...	1,90,524 13 2
Dead stock for bank premises, furniture, &c.	...	...	...	1,32,280 6 10
				<hr/>
				Co.'s Rs. 3,79,64,147 10 11
				<hr/>

Published by order of the Directors,

J. B. PLUMB, *Secretary and Treasurer.*

(Signed) C. N. COOKE, *Accountant.*

### BANK OF LIVERPOOL.

THE twenty-fourth annual general meeting of this bank was held at Liverpool, on the 25th of July, Mr. W. Oxley in the chair, when the following report was adopted:—

At the termination of another year's transactions, the directors have the pleasure to present to the proprietors the following statement of their affairs to the 30th June last.

The profits of the year, after payment of the current expenses, and provision for bad and doubtful debts, amounted to	...	...	...	...	£92,691 11 2
Reserved for income tax, from the 30th June, 1854, to 30th June, 1855	...	...	...	...	5,000 0 0
Being £2,000 more than was set aside for the same purpose a year ago.	...	...	...	...	<hr/>
					£87,691 11 2
					<hr/>

From this sum the proprietors have received two half-yearly dividends, of 4 per cent. each, free of income tax,

amounting to ... ..	£50,000	0	0
Leaving a surplus of ... ..	37,691	11	2
to be carried to the reserved surplus fund.			
	£57,691	11	2

That fund on the 30th June, 1854, stood at ... ..	£255,543	4	2
and with the above addition of ... ..	37,691	11	2

was increased to ... ..	£293,234	15	4
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The directors have further declared a bonus of 15s. per share, amounting to ... ..	£37,500	0	0
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which being deducted from the amount above stated leaves...	£255,734	15	4
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at the credit of that account. Although the directors are enabled to give the gratifying assurance that the affairs of the bank were never in a sounder position, they feel it desirable that the proprietors should bear in mind that the question of a bonus must at all times materially depend upon the market value of money. Already, there is a sensible difference between the rates now current and those which prevailed at this period of last year.

#### THE CUMBERLAND UNION BANK.

THE proprietors of the Cumberland Union Bank held their 26th annual meeting at Workington, on 31st July, to receive the report of the directors, and declare a dividend.

The statement of accounts showed the net profits of the year to be £13,257 6s. 2d., being rather more than 22 per cent. upon the paid-up capital. A dividend of 15 per cent. was declared, and after reserving £494 16s. 6d., to pay the income tax for the current year, there remained £3,762 9s. 6d. to be carried to guarantee fund, which, with that addition now amounts to £22,264 6s. 6d., and with the capital of £60,000, the proprietary funds of the bank stand at £82,264 6s. 6d., in place of the £20,000 originally advanced by the proprietors.

#### BANK OF MADRAS.

*Statement of the Affairs of the Bank of Madras, at 30th June, 1855.*

ASSETS.	R.	A.	P.
Cash credits, on deposit of Government securities ...	5,95,714	4	10
Loans do. do. ...	29,27,619	3	2
Government bills discounted ... ..	67,098	6	3
Private do. ... ..	5,31,623	12	5
Bank of Bengal ... ..	18,942	3	0
Bank of Bombay ... ..	822	7	9
Dead stock ... ..	26,890	5	9
Balance of cash on hand ... ..	13,99,605	5	2
Rupees	55,68,316	0	4

# *Reports of Joint-Stock Banks.*

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	LIABILITIES.		R.	A.	P.
Bank Notes and Post Bills in circulation	...	...	12.37.192	5	11
Deposits	...	...	11.78.866	4	11
Proprietors' capital	...	...	30.00.000	0	0
Reserved fund and profits for half-year ended	...	...	1.52.257	8	6
		Rupees	55.68.316	0	4
Reserved fund	...	...	18.086	13	4
Net profit for half-year	...	...	1.34.170	11	2
		Rupees	1.52.257	8	6
Dividend at 8 per Cent. per annum on capital	...	...	1.20.000	0	0
Balance of reserved fund	...	...	32.257	8	6
		Rupees	1.52.257	8	6

J. S. SPENCE, Accountant.

## BURTON, UTTOXETER, AND ASHBOURN UNION BANK.

*Statement of the Directors, 30th June, 1855.*

<i>Dr.</i> —Paid up capital	...	...	£97,312	10	0
Reserved fund, as exhibited in last statement	...	...	27,196	12	8
Circulation, fund to provide for bad and doubtful debts, due on current and deposit accounts	...	...	596,787	15	0
Profits from 31st December, 1854, to 30th June, 1855	...	...	9,784	14	3
			£731,081	11	11
<i>Cr.</i> —Cash in the Bank, Bank of England notes, Government securities, and bills discounted	...	...	£244,816	12	0
Securities and loans on current accounts	...	...	486,264	19	11
			£731,081	11	11
The amount of gross profits for the half-year ending 30th June, 1855, as exhibited in the above statement	...	...	£9,784	14	3
From which deduct income tax, rebate of interest on bills not yet due, for bad and doubtful debts, and provision for outlay on new bank premises	...	...	3,000	0	0
			6,784	14	3
From this amount the directors have declared a dividend (free of income tax) at the rate of 10 per cent. per annum, for the half-year ending 30th June, 1855 (payable on and after 1st September next), which will require	...	...	4,865	12	6
		Remains	1,919	1	9
Add reserved fund, 31st December, 1854	...	...	27,196	12	8
		Making the reserved fund	£29,115	14	5

## Communications.

*To the Editor of the Bankers' Magazine.*

### CRIMINAL TRIALS.—PRESENTMENT OF DRAFT OR CHEQUE BY POST.—STAMP ON RECEIPT INDORSED ON DRAFT.

SIR,—By this day's post, I send you a paper containing an account of the trial of E. S. Wilson, for forgery on the Carlisle and Cumberland Bank, Carlisle. What I wish to ask you, is, 1st—If it be the custom of bankers to pay cheques on themselves, if sent through the post from a distance? I have always understood that they generally refuse to remit the money, and require the cheque to be presented through a banker. Can the bankers legally refuse to pay such cheques, if not sent through a banker? The prisoner indorsed the draft when he received the money at Hankey's, and was requested to write the word "received" above it. Now, you will observe, the judge asked Hankey's cashier if he put a stamp upon it, and he said, "No," as he considered the bill-stamp covered it. Now the judge, Baron Platt, remarks, it clearly required a stamp—it was a receipt for money. Now, if this be the case, it is exactly contrary to the opinion expressed in the official explanation of the Stamp Act, issued in 1854.

Your opinion in your next number on these two questions, will oblige,

Yours respectfully,

COMMERCIAL.

[The report of the trial referred to is very long. We think we once received a letter from eminent bankers at *Norwich*, objecting to our publishing details of the devices to which skilful criminals resort, in order to effect their wicked objects, and we think, in the present case, we cannot serve any useful purpose by giving the full details our correspondent has kindly sent. As regards his questions, we would observe:—

1st. The practice is not universally the same. We believe, however, that bankers generally remit on receiving a cheque by post. The mode of remittance varies. If our correspondent refers to our August number, he will find a letter there from a "Country Banker," expressing views in which we do not concur, as to the liability imposed on bankers, when cheques are sent by post.

2nd. From reading the report, we should infer that the draft referred to had no stamp, and if so, the judge was right, but otherwise we think the observation was made without due consideration. The exemption in favour of "receipts indorsed upon promissory notes, bills of exchange, drafts or orders for the payment of money, *duly stamped*," contained in the general Stamp Act, is still in force. By 17 and 18 Vic., c. 83, s. 27, every instrument liable to stamp duty shall be admitted in evidence in any criminal proceeding, although it may not have the stamp required by law impressed thereon or affixed thereto.]

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### THE CIRCULATION OF BANK OF ENGLAND NOTES.

SIR,—The recent actions against the Bank of England, to compel payment of some of their notes which had been stolen, and subsequently negotiated, after the lapse of a considerable period from the time of the theft, are suggestive of the question, whether it is either politic or right to demur in any case to the payment of bank notes. In the recent actions, the Bank was only nominal defendant, the real parties contesting the matter being the

losers of the notes ; but that is immaterial—the broad question is, are bank notes, which are expressed to be payable to “bearer on demand,” really so payable, and can a person, when he parts with his money or goods in exchange for them, reckon on being reimbursed in due course ; or does he run the risk of being perhaps ruined by the bank refusing payment, on the ground of the notes having been stolen, and so compelling him to have recourse to an expensive action to maintain his rights ?

It is clearly the duty of all parties into whose possession bank notes may be entrusted, to take proper precautions to preserve them ; but if, through negligence or accident, they are lost, and subsequently come into possession of third parties for valuable consideration, are they to suffer ? For, even supposing the money ultimately recovered, it is but poor compensation after an expensive suit.

According to my view of the matter, the fact of a bank note being refused payment, on the grounds of payment having been stopped or for any other reason, saving the inability of the banker to discharge his obligations, entirely alters the nature of notes as money—as representatives of coin—and very materially decreases their utility as a circulating medium.

If you think these few remarks worthy of notice in your valuable journal, they may provoke some abler correspondent to favour the banking community with his views on the subject.

I am, sir, your very obedient servant,

Dublin, 22nd August, 1855.

A SUBSCRIBER.

#### DRAWING DRAFTS AFTER DATE.

SIR,—In your last number, “Old Stager” inquires from another correspondent, whence he derives his authority for stating that a banker is required to take out a license before drawing drafts after date. In reply, I beg to state that I infer it from the 9th Geo. IV., cap. 23, to which act I beg to call his attention. It enacts, that “from and after the 1st day of July, 1828, it shall be lawful for any person or persons carrying on the business of a banker or bankers in England (except within the City of London, or within three miles thereof), having first duly obtained a license for that purpose, and given security by a bond in manner hereinafter mentioned, to issue, on unstamped paper, promissory notes for any sum of money amounting to five pounds, or upwards, expressed to be payable to the bearer on demand, or to order, at any period not exceeding seven days after sight ; and also to draw and issue, on unstamped paper, bills of exchange, expressed to be payable to order on demand, or at any period not exceeding seven days after sight, or twenty-one days after the date thereof, &c., &c.”

Should this be repealed by any later act, will you have the goodness in your next number to state the act which did so, and which now regulates the terms on which drafts after date are issued ? By so doing, you will oblige and instruct,

23rd August, 1855.

A KNOW NOTHING.

#### POST-DATED CHEQUES.

SIR,—It appears to me that the state of the law in reference to post-dated cheques is worthy the attention of the banking community. A banker cashes or makes an advance on a cheque regularly drawn and dated on some other bank. The drawer of the cheque is known, and there is possibly the indorsement of a third party. The cheque, however, is dishonoured, and the banker sues the drawer and indorsers for the amount.



The defendants prove that the cheque, though dated on the day when it was negotiated, was issued some days before, and the judge rules that it is an illegal document, and therefore inadmissible as evidence. The banker loses his money and costs. It is nothing to the purpose that the cheque was in date when placed in the banker's hands, and that, consequently, it was impossible for him to divine that there had been a post-dating. The law is inexorable. Its design is simply to protect the revenue derived from bill stamps. Is it right to employ such means to that end?

Yours respectfully,

Sept. 16th, 1855.

A COUNTRY MAKER.

#### AGENCY ACCOUNTS.

SIR,—The favour of a reply to the following query in the next number of the Magazine will much oblige.

A appoints B as commission agent, salesman, and collector, on the following conditions and terms of agreement, viz. :—

1st. A consigns and invoices to B's order the various quantities of goods for sale on his account.

2nd. B keeps the personal and other accounts connected with the agency, and makes monthly remittances of all cash receipts, less his charges and commission thereon.

3rd. A furnishes B with quarterly accounts current, showing the final balance due thereon.

4th. B furnishes A with a list of the debts due on the agency, together with a statement of the quantity and amount of goods on hand, which shall correspond in amount with the balance of the account current, as furnished by A.

5th. In pursuance of the foregoing arrangements and conditions, B furnishes A with a policy of insurance for a sum of £1,000, on which he has paid the premium.

In the progress of the business, A learns that B has made him false statements and returns, and received several sums of money on his account, for which he has not accounted, of which he duly apprises the Guarantee Association, and applies to B for his books of account, which he obtains, and furnishes therefrom such parties' accounts as appear indebted to the agency, several of whom had already paid B, and his receipts produced, and several now remit A the amount claimed.

QUERY.—Is there any legal objection that A marks "Furnished these respective accounts" in the agency ledger, and post to the credit of such parties as have paid him the respective sums, provided he initials all the entries made by himself therein; and if there be a legal objection, how are the transactions to be otherwise arranged, conceiving that the original ledger should show the real state of each party's account?

I am, sir, your obedient servant,

QUERIST.

Kilkenny, 15th Sept., 1855.

[We think that there is no legal objection to A making any proper use of the books B has handed over to him, or making any necessary entries in them, taking care that there shall be no difficulty in distinguishing A's entries from the others.]

## Notes of the Month.

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**JOINT-STOCK COMPANIES.**—A report from the Registrar of Joint-Stock Companies to the Lords of the Committee of Privy Council for trade, shows that, in 1854, 239 joint-stock companies were provisionally, and 132 completely registered. No application had been made for the enforcement of penalties for failure to register. The total amount of fees received for registration at the head office in London was £5,251, and at the branch office in Dublin, £182. Of the number of companies completely registered in 1854, 86 were assurance companies, 1 a railway company, 1 a company for subsidiary purposes connected with railroads, 35 gas companies, 6 other companies for public works, 16 mining and quarrying companies (at home and abroad), 10 companies for conducting manufactures, working patent inventions &c., 2 shipping and navigation companies, 5 trading companies, 13 public building companies, and 7 miscellaneous companies. A large list of companies is returned as having made no return of the appointment of auditors. No prosecutions for offences took place in 1854. As regards the bankruptcy of companies, the registrar possesses no information from which he could make a return.

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**DIVIDENDS (PUBLIC FUNDS).**—A return has recently been published, containing copies of a correspondence, in 1854, between the Bank of England Directors and Mr. Gladstone, then Chancellor of the Exchequer, as to the providing of means for the payment of dividends on the public funds. It covers a space of 45 pages, and embodies a sort of controversy between the Government and the Bank, on the subject of the payment of dividends, with the opinions of the law officers of the Crown. The present Chancellor of the Exchequer, in April last, declared that he did not intend to depart from the present practice, under which ample funds are transmitted from the Exchequer account to the dividend account at the Bank from day to day, to satisfy every claim which there is any probability of the Bank being called upon to pay, and a surplus advance beyond the expected claims is made, to cover a possible increase beyond all former demands. The legality of this course has been affirmed by the law officers of the Crown, and the arrangement is said to be productive of advantage to the public service, by lessening the advances made to the Government by the Bank on deficiency bills.

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**ISLE OF MAN BANK.**—According to information lately obtained, regarding the Isle of Man Bank (Messrs. Holmes and Co.), which failed for £190,000 in November, 1853, the prospects of the creditors are very poor. The bank had an establishment at Liverpool, and was reported at the time to be in possession of a large surplus. Much suffering has since been caused, and the complications connected with the estates are such that, although its affairs are said to have been several times before the Privy Council, nothing is known as to the probable date of a final arrangement. In the Isle of Man, the local regulations are understood to provide that no notes can be issued without security being given in real property for the protection of the public, but the authorities, most of whom in the present instance are among the creditors, were lax in their duties, and the bank at the time of its stoppage had £25,000 in circulation, or about three times the amount to which it was entitled. The question as to the relative claims of the holders of this circulation is the one that has interposed the chief difficulties in the progress towards a settlement.

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**ADVANCES BY INSURANCE OFFICES.**—The case of Mr. T. W. Lawford, nephew of Mr. Edward Lawford, late of Drapers' Hall, and solicitor to the India Company, has been finally adjudicated in the Bankruptcy Court at Bristol. The debts of the bankrupt amounted to £60,000, and the assets scarcely exceed a

whiling in the pound. His first deficiencies occurred between the years 1840 and 1849, when, as solicitor and farmer, he became insolvent to the extent of £12,000, but their subsequent growth seems to have been accelerated by the facilities of the loan system carried on by the various insurance offices, several of which are understood to have suffered heavily. At the commencement, these loans were contracted apparently to enable the bankrupt to struggle on with his speculations, Mr. Edward Lawford, the uncle, being security; but subsequently they seem to have been made indiscriminately for the purposes of nephew and uncle, until at one time they reached a total of £80,000. Of this amount £36,000 only was repaid, leaving £44,000 due at the time of the bankruptcy in September last. The operations of the nephew were of a singular character, since, without any knowledge of agriculture, or the possession of capital, he embarked as an experimental farmer on the largest scale, and likewise engaged in speculations for hatching chickens by steam, and supplying London with grapes from Carmarthenshire. He was therefore gazetted as a market gardener; but he had also joined a mining concern in Prussia. No books were kept, and the transactions of the two parties were evidently carried on without any view in prospect but a hopeless stoppage, whenever the arrangements with the insurance companies could be kept up no longer. According to a statement made to the Court, the income of Mr. Edward Lawford was at one time £18,000 a year, and, if the fatal opportunity of borrowing money on his personal credit, at ruinous terms, had not been afforded, it is probable the mischief would have ended simply with the early bankruptcy of his nephew. At the time when his difficulties first became known, reports were circulated that he had committed extensive forgeries, to the injury of clients who had title and trust deeds deposited with him. These he at once repelled, and the facts since detailed indicate a course of extraordinary mismanagement and infatuation, rather than any deliberate intentions. As regards the nephew, the Bankruptcy Commissioner, who had been greatly pressed by favourable memorials on his behalf, arrived at the conclusion that his errors "were caused rather by an over-sanguine temper and extreme infirmity of judgment, than by want of rectitude," although it was felt to be a duty to suspend his certificate for twelve months, and to order that it should then be of the lowest class.

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A GOOD EXAMPLE, WORTHY OF IMITATION.—It is stated that Mr. J. W. Gilbert, the general manager of the London and Westminster Bank, has most liberally subscribed to the forthcoming course of lectures to be delivered at King's College, on banking and commercial law, by Mr. Leone Levi, so as to ensure the free attendance of the whole of the gentlemen connected with that establishment.

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#### BANK MOVEMENTS.

The stockholders of the Quebec Bank have presented a valuable testimonial to Mr. J. Gibb, the president of that institution.

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A patent has been granted by the New Granada Government for establishing a national bank of commission, discount, and deposit, conformably to the law of the 13th of June.

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The premises of the Unity Joint-Stock Mutual Banking Association, known as Unity Buildings, Cannon-street, having been completed, the business of the company is now transacted there. The brokers appointed to introduce the shares to the public are Messrs. R. and J. Sutton, of the Royal Exchange.

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**BANKING OBITUARY.**

On the 23rd August, in Edinburgh, Mr. George Miller, managing trustee of the Government Savings Bank, Sydney, New South Wales.

On the 31st of August, at Shrewsbury, Mr. William Bayley, banker, in his 78th year.

On the 3rd of September, at his residence, 9, Gloucester-place, New-road, Mr. William Cuell, of the Bank of England, in the 70th year of his age.

On the 11th of September, at his residence, Shutterne House, Taunton, Mr. William Woodland, banker, in the 70th year of his age.

**MONTHLY CHRONOLOGY.**

Sept. 6.—The Directors of the Bank of England raise their rate of discount from  $3\frac{1}{2}$  per cent. to  $4\frac{1}{2}$  per cent.

7.—The discount houses raise their allowance for deposits to  $8\frac{1}{2}$  per cent.

Intelligence received in London of the re-commencement of the bombardment of Sebastopol by the Allied forces on the 5th.

8.—Arrival of despatches announcing the total destruction, on the 15th of May, by the British and French ships, of the Russian fortress of Petropawlovski, in the Pacific.

10.—Official despatches received by the Government announcing the successful attack upon and capture of the Malakhoff by the French, and the failure of the attack upon the Great Redan by the British troops.

Subsequent despatches reached the Government in the evening, notifying the evacuation of the South part of Sebastopol by the Russians, and their escape to the North side, after having burned all their ships of war in the harbour, and set fire to the town.

11.—The suspension of Messrs. James Walker and Co., of Leeds, notified. The liabilities of the house estimated at £20,000.

12.—After repeated and protracted examinations at Bow-street Police Court, Messrs. Strahan, Paul, and Bates are committed to take their trials at the Central Criminal Court, for illegally disposing of certain securities, of the value of £22,000, entrusted to their care by the Rev. Dr. Griffiths, of Rochester. The trial was subsequently appointed to take place at the October sittings, the defendants in the interim being released on bail.

13.—The Directors of the Bank of England again raise their rate of discount, from 4 per cent. to  $4\frac{1}{2}$  per cent.

14.—The discount houses again raise their rate of allowance for deposits, to  $8\frac{1}{2}$  per cent.

20.—The Directors of the Bank of France increase their rate for advances upon securities, from 4 to 5 per cent.

Announcement of the suspension of Messrs. C. J. Mare and Co., ship builders and contractors, of Blackwall; their liabilities are stated to be about £70,000.

27.—The Bank Directors again raise the rate of discount, to 5 per cent.

***Monetary Intelligence.***

**REVIEW OF THE MONEY MARKET FOR THE MONTH OF SEPTEMBER, 1855.**

The course of financial affairs during the month just concluded has been distinguished by some remarkable changes, which have produced partial alarm in most quarters. A sudden and almost unexampled drain of bullion to the Continent and to the East set in at the close of August, and having continued with some severity since, the directors of the Bank have been compelled to make three advances in the rate of discount, which, from  $3\frac{1}{2}$ ,

has gone up to 5 per cent. Whether any further application of the "screw" will be necessary cannot well be determined, because a further alteration will depend greatly upon the state of the corn trade, the foreign exchanges, and the prospects of the war. There are those, however, who consider that we may yet have to encounter a tighter money market, particularly if fresh financial operations are to be brought forward early next year. The provision hitherto made for the allied services of England and France, although sufficient for current expenditure, leaves little margin for future contingencies, and consequently, if even the preliminaries of a peace were to be speedily announced, arrangements would have to be effected for settling the outstanding balance, and adjusting, after our late experience, the ratio of outlay to maintain a creditable military and naval position. The intelligence of the fall of Sebastopol, and the retreat of the Russians before the victorious progress of the forces in the Crimea, fortunately arrived to arrest the despondency which would have otherwise ensued had it, in the existing state of things, been much longer delayed, and it has greatly relieved the anxiety of the public respecting the ultimate success of the expedition. It is almost impossible to say what would have been the condition of excitement produced, had the late stringency intervened while this event remained undecided; for, as it is, there has been some difficulty in restraining a preponderance of that gloom which invariably accompanies such a condition of things. At the latest moment, the demand for accommodation continues active, and although, at present, we have been singularly free from mercantile disasters, it is scarcely to be expected that the trading interest, while passing through such an ordeal, will escape wholly unscathed. The rates for the negotiation of first-class paper in Lombard-street vary from  $4\frac{1}{2}$  to  $5\frac{1}{2}$ , and the allowance by the brokers for deposits is  $4\frac{1}{2}$  per cent. The Bank of France having increased their rate for advances on securities from 4 to 5 per cent., the alteration, it is thought, will shortly extend to the discount of commercial paper.

The progressive advance in the Bank's rate of discount was sure to affect the prices of all public securities. As the various changes have taken place, there has been a steady collapse, until the extreme quotations show a difference of about three and a-half per cent. Indeed the situation of the markets for stock, English and foreign, has been almost one of panic; and at the latest moment they are very depressed and unsettled. Consols, from  $91\frac{1}{4}$ , have receded to  $88\frac{3}{4}$ , and close a shade below the latter quotation. Exchequer bills, from a fair premium, have descended to a discount, at which they will remain, unless the Government take measures to increase their rate of interest.

A great drop is apparent in Turkish; the 6 per cents. and the 4 per cents. having equally suffered from extensive operations. The decline in one case is 10 per cent., and 4 per cent. in the other. The state of the money market, and rumours of a probable rupture between the Pacha of Egypt and the Sultan have promoted this change. The singular anomaly is thus presented of a 4 per cent. guaranteed stock being quoted at a discount, and there seems at this moment little prospect of a recovery. Other securities are generally worse, but the amount of business has been comparatively limited. The range has scarcely exceeded from 1 to 2 per cent. Mexican may be regarded as steady, the fluctuation being confined to about  $\frac{1}{2}$  per cent., although during the interval the flight of Santa Anna has been announced.

The market for railway shares has been depressed, and prices have gradually declined with the fall in Consols. The position of business has been greatly influenced by the sales of the speculators, who have operated with the intent of forcing quotations to a low point. In this they have succeeded, and general heaviness is the characteristic of existing transactions.

The steady decline is about from £3 to £6 in the leading descriptions. Diminished dividends and increased working expenses have caused the public to neglect these securities.

In the shares of the joint-stock banks, few dealings have occurred. The respective quotations are rather lower, but the depreciation is much less severe than in other kinds of negotiable property. The more active employment for capital will tend to strengthen the dividend resources of these establishments.

The produce markets have not been so buoyant since the late advance in the Bank's rate of discount. No sudden re-action has however taken place, but although quotations exhibit decreased firmness, the previous rise has been in a measure supported.

The following are the fluctuations in the English and Foreign Stocks and Railway Shares, during the month just concluded :—

	Price on Aug. 29.	Highest.	Lowest.	Price on Sept. 27.
<b>ENGLISH FUNDS.</b>				
Consols ... ..	91½ to 91½	91½	88½	88½ to 91
Exchequer bills' average ... ..	12s. to 17s. pm.	17s. pm.	4s. dis.	3s. to 1s. dis.
<b>FOREIGN STOCKS.</b>				
Brazilian ... ..	102½	103	100½	101
Buenos Ayres ... ..	56½	57½	56	56
Chilian ... ..	—	105	103	104
Dutch, 2½ per cent. ... ..	64½	65½	64½	64½
Mexican ... ..	21½	21½	21½	21½
Peruvian, 4½ per cent. ... ..	—	79½ ex. d.	76 ex. d.	76
Russian ... ..	—	99½ ex. d.	98 ex. d.	98
Spanish ... ..	38½	38½	37½	37½
Turkish, 6 per cent. ... ..	93½	94½	82	83½
Ditto, 4 per cent. New scrip....	2 pm.	2½ pm.	2½ dis.	1½ dis.
<b>RAILWAY SHARES.</b>				
Brighton ... ..	98½	98½	95	95½
Caledonian ... ..	63½	63½	60½	59½ x. d.
Eastern Counties ... ..	11½	11½	9½	9½
Great Northern ... ..	89½	90	85½	86
Great Western ... ..	56½	58	54½	55½
Lancashire and Yorkshire... ..	83½	83½	75	75
London and North Western ... ..	95½	96	90½	91
Midland ... ..	70½	71½	63½	64½
North Staffordshire ... ..	10½	11	10½	10½
South Eastern ... ..	61½	62	56½	57
South Western ... ..	84½	85½	81½	81½
York, Newcastle, and Berwick ... ..	73½	74	68½	69
York and North Midland ... ..	49½	49½	45½	46
East Indian... ..	24½	24½	23	23½
Northern of France ... ..	36½	36½	34½	34

# THE STATE OF TRADE.

There has been increased activity in the general departments of business, but the operations have not been extensive. The augmented demand for money has temporarily interfered with this revival, though it has not wholly checked the movement. No fresh failures have occurred in the provinces, but the estates winding up in the neighbourhood of Birmingham-

ham exhibit unfavourable results. Although towards the close of the year there is not likely to be any great improvement, the nature of the orders given is considered satisfactory.

### THE GRAIN TRADE.

Notwithstanding the late auspicious state of the weather, the general yield of the harvest is now considered to have been below an average. From the Continent, also, the reports of the crops have been discouraging, which have led to purchases in this country for export. Under these circumstances, the quotations have manifested much firmness, and, at present, no important tendency to re-action is visible. It is, however, generally anticipated that the surplus of the American yield will be sufficient to supply the requirements both of England and France, and that, consequently, a decline will, at no distant date, take place. The maintenance of full rates is, nevertheless, still predicted among the operators in Mark-lane.

The *Gazette* returns for England and Wales have been :—

	Week ended 1855.	Wheat Qrs. sold.	...	Weekly Average.		Six Weeks' Average.		Duty.	...	Corresponding Six Weeks Last Year.	
				s.	d.	s.	d.			s.	d.
August	25.....	71,104	...	73	7	...	76	6	...	1	0
Sept.	1.....	72,088	...	72	7	...	75	11	...	1	0
"	8.....	79,282	...	74	10	...	75	5	...	1	0
"	15.....	97,377	...	76	9	...	75	2	...	1	0

The importations since the harvest of 1854 have been :—

	Wheat. Qrs.	Other Grain. Qrs.	Total. Qrs.
Fifty-six weeks ended 15th August.	2,241,627	2,716,512	4,958,139
Four weeks ended 12th September...	144,376	247,020	391,396
	2,386,003	2,963,532	5,349,535

And the *weekly averages* have been :—

Fifty-six weeks ended 15th August ...	40,000	48,000	88,000
Four weeks ended 12th September ...	36,000	61,000	97,000

Less 4,000    More 13,000    More 9,000

### NOTICES TO CORRESPONDENTS.

There is still a pressure upon our space. One or two articles and some country bank meetings therefore again stand over. We must remind correspondents that all communications, unless they involve important questions, should, to insure punctual insertion, be forwarded by the 20th of the month.

**A SUBSCRIBER**—The suggestion is worthy of consideration. The work would no doubt be valuable, but the question is, could it be produced at such a price, and in such a form, as to remunerate the publishers?

**DEPUTY CASHIER**—There are two or three projects in course of organisation for new joint-stock banks, in addition to those recently established, and the principle will, we have every reason to believe, yet be vastly extended. Under existing circumstances, it would be prudent not to introduce the scheme without the support of a first-rate list of directors.

**INVESTOR**—The first working of the act connected with limited liability will be attended with difficulty, but the introduction of the system cannot fail to lead to beneficial results.

**AN UNFORTUNATE BONDHOLDER**—Little or nothing has been heard of the Westminster Improvement Commission of late, and there is little prospect of an immediate settlement of the various claims.

# THE BANKERS' MAGAZINE;

AND

Journal of the Money Market.

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NOVEMBER, 1855.

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## THE MONETARY CRISIS OF 1855.

THE month of October, 1855, will be long remembered in financial annals. As a period productive of doubt and perplexity, it may challenge contrast with either of the great revulsions of the last half century, although, in regard to ulterior consequences, it has proved comparatively harmless. Any prediction, made six months since, that we should have passed through a crisis such as has been recently witnessed, without damage to credit, or a more serious derangement of our monetary relations, would have been utterly discarded, and those who had ventured the prognostication, would have been described as visionary enthusiasts, incapable of appreciating the effects of even the most ordinary mutations. Yet, so completely has this fact been realised, that the most sanguine have viewed with astonishment the placid progress of events, at a time when there was every expectation that the next turn of the wheel would create a disruption that must have inevitably terminated in general mercantile confusion. Succeeding generations, enlightened as they may become through the intelligence of economic science, or the other great sources of public instruction, will be scarcely prepared to believe that, in the midst of war, occasioning a heavy and continuous drain, with a deficient harvest in France, and hardly an average one at home, the relations of trade had been so well regulated, that its career, although interrupted, was not entirely checked, and that, with the discount terms of the Banks of England and France standing at the elevated points of 6 per cent., less commercial disaster was known than in any preceding period of distrust. Singular as it may appear, under these adverse circumstances, this healthfulness of business has been the distinguishing feature of the "portentous commotion;" and, notwithstanding there are



still elements of concern in the future aspect of affairs, sufficient has already transpired to test our capabilities of endurance, and to ascertain what reasonable amount of weight can be borne by the complex machinery which supports England's extensive commercial operations.

The crisis through which we are now passing must therefore be regarded as solely monetary, and not mercantile. It has not arisen from extended speculation entailing a collapse, destroying credit, and terminating in bankruptcy; but it is, in the first place, the direct consequence of a large continuous outlay to supply the commissariat of the allies in the East, and the transmission of the proceeds of the Turkish loan in bullion to Constantinople; and in the second, the result of a series of financial operations by the French Government, which, originally conducted in secrecy, thwarted, until their nature and complexion were ascertained, every attempt to grapple with the difficulty. These latter transactions of themselves would have been important enough, at any other moment, to have frightened us from our propriety; but, intervening as they have done at a particular epoch in the world's history, and when the money part of the question was most fully developing itself, they have acted with redoubled force upon both countries.

That they should have created general excitement, and have given rise to all sorts of rumours, is consequently not surprising, especially as the mystery with which they have been conducted has materially contributed to augment the apprehension entertained. The simple arrangement of these gold purchases would not have engendered half the alarm they have occasioned, if it had readily been discovered on whose account they were in progress; but, meanwhile, statements were rife that Russia had been successful in negotiating a loan in the north of Europe, and that the withdrawal of specie was for the purpose of supplying the capital essential to uphold the position of the Czar. A report of this kind was calculated to imbue the public—or at least that portion of the public who take alarm at every idle statement—with suspicion, and it was difficult to shake off the impression of an under-current being at work to impoverish the resources of this country to improve those of our Muscovite opponent. When, however, circumstances came to be traced, it was clear that although small sums might have been forwarded *via* Hamburg and Amsterdam, there was not the least reason to suppose that a tithe of the drain had gone in that direction.

The subsequent revelation that these large operations were for the Bank of France, and that they had been professedly conducted by two leading capitalists, at once dissipated the feeling of dread, and attention was turned to the ultimate effect

upon the general money market. The mutuality of proceedings on the part of the two national institutions in advancing their terms of discount, each with the object of retaining their metallic reserves, has caused great stringency in London and Paris, but although accompanied by hardship in particular cases, it has not engendered that positive distrust which has heretofore accompanied the rapid and continuous application of the "screw." How far this may be ascribed to the favourable influences of the gold productions of Australia and California we shall not now stop to inquire, but there can be little doubt that the knowledge of the large supplies from those localities has created a confidence which as an auxiliary power in the present emergency has been most beneficial and valuable. Widely different was the position of affairs during the memorable crisis of 1847-48. There were then no imports of the precious metals, the actual produce of territorial possessions, on a scale of £8,000,000 or £10,000,000 per annum, to assist in surmounting commercial difficulties; and although it must be admitted that the state of trade was vastly dissimilar to what it is now, the influence of such knowledge would, at that disastrous juncture, have been great and reassuring. The distinction between the two periods has been this:—In 1847, owing to the drain and the state of the Bank accounts, it was scarcely possible to obtain money, however high were the rates offered. At this moment it is not the question of a supply of money, because that is immediately available if borrowers can provide the security and pay the terms required.

Sound as our commercial relations are, and gratifying as must be the situation in which financial and mercantile establishments find themselves, after so severe and procrastinated a pressure, it is still exceedingly perplexing to have to wait in a state of uncertainty for the future measures of the Bank of France. It has been asserted, but no official intimation has been furnished of the authenticity of the statement, that their purchases of specie have concluded, and that the greater portion of the £6,000,000 has been secured. Another account estimates the total to be £8,000,000, including the £1,600,000 of silver which the directors of the Bank of Holland are to supply, and inferentially indicates that Austria, through the transactions of the *Credit Mobilier*, has abstracted an undue proportion of the entire amount. The specious plan of Baron Bruck for establishing a Mortgage Bank, and other projects to retrieve the credit of that State, will, it is believed, explain the manner in which this has been effected, and probably elucidate part of the mystery supposed to be attached to the transaction.

If this view of the question be adopted it will, in connection

with the supply of capital known to be required by the French Government for making good its grain deficiency, induce caution yet to be exercised, with reference to any prospective operations, as it may be the policy of those who are arranging them to spread them over several months, so as not to precipitate a more universal alarm than that which has already been aroused. The periodical expenditure for the year, the transmission of specie to America in payment for corn and flour to be drawn thence for our own use, will, with an appeal to the country for a new loan, be sufficient to maintain money at a commensurate value during the next few months, and extraneous causes, if they should remain in force, must therefore be productive of inconvenience, and tend to encourage increased apprehension. It has been suggested, with a great degree of good sense, that it would be as well, if it were possible, for the directors of the Bank of France to open a friendly intercourse with their compeers of the Bank of England, for the purpose of facilitating measures of assistance, if they may hereafter be necessary; and could such a relationship be established, it would render not only equal service to each country, but likewise largely influence the whole of the banking and mercantile concerns of Europe.

As was to have been anticipated, in the course of the discussion arising out of the suspense and anxiety succeeding these several variations, there has been a smart onslaught against the efficiency of the working of the Bank Charter Act. The supporters of an inconvertible currency have tried their strength by the preparation of petitions, and have summoned to their aid the well known advocates of the Birmingham and Liverpool theories. The leading daily contemporary has, on the other hand, presented a vigorous defence of the currency principle laid down by Sir Robert Peel; but while exhibiting the fallacies of his opponents, makes one or two pertinent reflections, which, if canvassed in the next session of Parliament, may lead to alterations which will partially counteract the inconvenience experienced. The writer remarks, judiciously enough:—

“That some modifications of the measure, which in no way affect its principle, are open to debate, is admitted. It has been questioned, for instance, whether, in fixing the amount to be issued by the Bank on securities, the limit of £14,000,000 was not unnecessarily low, although, supposing such to be the case, it is an error on the side of safety, and the fact must be borne in mind that if it were raised to £16,000,000, or any other point considered within the verge of prudence, that verge once attained the operation could never be repeated. Some defects have reasonably been complained of with regard to the periods within which the country bankers are compelled to keep the average of their issues; and, lastly, the Government are open to serious reproach for not having filled up the deficiencies in the country circulation, amount-

ing to £700,000, which have occurred since 1844 through the failure or retirement of individual banks. This, however, is a fault, not of the act, but of the several Chancellors of the Exchequer who have neglected the special provision it contains for the purpose."

Although these admissions will not be pleasing to parties who desire to see what is termed the Bank "monopoly" destroyed, they will satisfy the majority of the more moderate school, as leaving the topic for ventilation in the coming spring. Looking at the enormous augmentation of trade during the last ten years, the expansion of the basis of credit by the metallic resources derived from the antipodes and the far West, and the attendant requirements of banking facilities, there is no denying that a more extended scale of circulation is desirable to maintain a steady current for our enormous mercantile transactions. But this increase can be supplied without endangering the vital principle of the Bank charter, or interfering with the rights and privileges which ought to be enjoyed by the provincial establishments, if a revision of the laws regulating their issues is contemplated.

A calm and deliberate discussion of this momentous question should not be delayed. It is very evident, from what is passing around us that conflicting opinions are and will continue to be entertained on the operation of the act of 1844. That it was devised with the object of placing the currency on a sounder footing, there is every reason to believe, since the measure was not hastily passed, and its position in connection with other monetary enactments was carefully considered. With regard to its efficiency, that is a moot point. A large number are favourable to its operation, and consider, with proper modifications, which no doubt have suggested themselves both to the Treasury authorities and the Bank directors, that it can still be rendered available for the service of the public. Others express equally opposite views, and allege that its renewal will prove a "stumbling-block" to our trade and credit. In the midst of such prevailing dissension, it will perhaps satisfy all parties, if a full investigation under the sanction of Parliament is once more entered upon. The experience of the last few years, in relation to the progress of trade, and the influence of the gold discoveries, would furnish much practical information, which it is requisite to possess before any definite action can be adopted; and a general inquiry would prove the best mode of eliciting the opinions of those most competent to state their impressions under these altered circumstances.

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#### THE SENTENCE UPON MESSRS. STRAHAN, PAUL, AND BATES.

WE have just sufficient space to direct the attention of our readers to the trial of Messrs. Strahan, Paul, and Bates, a report of which appears in another part of the *Bankers' Magazine*. The sentence of fourteen years' transportation which has been passed against those misguided men, it is to be hoped, will operate as a warning to others placed in a similarly responsible position, not to tamper with the property of customers deposited for safe keeping. Even the business of bankers is not inseparable from the loss and misfortune attending other kinds of trading pursuits; but, in such cases, it is necessary that, where a suspension cannot be surmounted, the stern necessity should be submitted to, and no endeavour be made to defer the event by a recourse to such means as have disgraced the career of the partners associated with this unfortunate firm. Public justice has, however, been vindicated by the result of the investigation, which, painful as it has proved, will not be without its moral effect.

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#### AUSTRIAN FINANCIAL PROGRESS.

IT is an acknowledged fact, that every nation has some one characteristic peculiarly its own—some quality in which it excels all others. The experience of the last century, of the latter half of it especially, has shown that the leading national characteristic of Russia is diplomacy, and the events of the last thirty or forty years make it equally indisputable that finance is the characteristic peculiar to Austria. In both cases, however, this is the result of weakness rather than strength. It is a necessity forced upon the nation by circumstances, and by, in some respect or other, conscious inferiority. With Russia, the object is the gratification of an insatiate national ambition, to carry out the hereditary policy of the Czars and to push on her frontier southward, until it shall embrace both sides of the Black Sea and the Bosphorus, and Constantinople become the capital of her empire. To achieve an object so gigantic, and which, if openly declared, would at any time bring down upon her (as it has done) the hostility of the whole of Europe, she is aware that her military resources, enormous as they are acknowledged to be, are altogether inadequate. This it is which with Russia always constitutes the difficulty of the situation, and to overcome that difficulty she is compelled to have recourse to concealment, deception, boast, and those other little arts and subterfuges with which diplomatists are familiar, and by the liberal use of which they acquire fame. Hence, the character which Russia has obtained for diplomatic superiority over the other nations of Europe. The leading cha-

characteristic of Austria has been forced upon her much in the same way—by necessity. Her position, as a nation, is anomalous. The uncertainty of her political status, arising from her geographical boundaries, the heterogeneous and almost hostile races which compose her population, and the impatience with which her yoke is borne by Italians, Hungarians, and the various other nationalities which are now subject to her rule, impose upon her the necessity of maintaining a military force altogether out of proportion to her revenue, while all these circumstances combine to impair her credit and to deprive her national securities and her paper circulation of that public confidence which alone can make them marketable at anything like their nominal value. This is the great Austrian difficulty. Her want is financial credit, and to supply that want is, consequently, the object and the study of her Government and her statesmen. Hence, finance is the national characteristic of Austria; but it is the finance of procrastination, shift, and chicane, marked by all the ingenious devices of insolvency.

A large and expansive circulating medium is an essential element in Austrian finance. Apart from the ordinary requirements of her internal trade, she has to provide pay and material for a standing army and an effective reserve, numbering together considerably over half-a-million of men, and expensive military establishments to uphold in every portion of her dominions. To supply this medium is, of course, the primary object, and the issue of Government notes or bank paper, as being the readiest and easiest, is the mode by which that provision is generally made. But the facility with which paper money may be at any moment manufactured and multiplied, naturally tempts to its abuse, especially in a country like Austria, where the national revenue is so much in excess of the expenditure, and the metallic basis is so inadequate to the maintenance of a circulation proportioned to the demands of commerce or the business transactions of every-day life. But, while it is easy to manufacture and multiply paper notes, it is impossible, unless the issues be based upon specie or real values in some shape or other, to make them pass current, or to represent in the ordinary course of internal exchange (in international it is out of the question) their nominal amount.

In Austria, the basis of value has never borne any proportion to the aggregate amount of the notes in circulation, and the public, knowing well that convertibility into gold or silver was impossible, have always regarded Austrian paper with suspicion, and have generally refused to receive it, except at a greatly depreciated price, and frequently even then only upon compulsion.

Under the finance patent of 1811, the whole Austrian empire was deluged with state notes; and in 1816, when the exchange-

able value of the thousand-florin note had sunk to 294 florins, conventional currency, it was found necessary to withdraw from circulation some £10,000,000 of this depreciated paper money. This was effected by the establishment of a discount bank—the present Austrian State Bank—which was empowered to issue 100,000 shares, each of which was to cost 1,000 florins in the Vienna paper currency, and 100 florins in cash, which, having regard to the depreciation of the paper money, was exactly 394 florins per share. The existence of this bank was of the greatest importance to the Government, both as a medium of credit, and as a source from which the means of meeting any sudden financial emergency, might be drawn. Accordingly privileges were conferred upon it, under which it flourished and prospered. It is evident that the Government did not long delay availing themselves of the advantage which the discount bank offered, for, within a few years after its establishment, we find that the State had become the debtor of the bank for advances, to the tune of £6,000,000 sterling. In 1848-9, when the efforts made by Austria to maintain herself against the Hungarian insurrection and the Italian war, had completely exhausted her treasury, a further advance was applied for, but the bank in granting it demanded security, and it was only upon the real guarantee of a portion of the Imperial Salt Works, that the tottering credit of the Austrian empire was upheld, by advances made by the bank to the extent of a further sum of £5,500,000. An additional debt of nearly £4,500,000 was subsequently incurred by the State on account of exchequer bills withdrawn from circulation, and since November last year the Imperial exchequer has become a borrower from the bank of £8,000,000 more. Altogether, the Austrian exchequer is indebted to the bank no less than twenty-four millions of money.

Baron Bruck's project for reducing this debt, and placing the relations of the State with the bank on a more satisfactory footing, contemplates the actual cession of Imperial domains of the value of 150,000,000 florins, or about £15,000,000, but with the proviso that no portion of them shall be sold without the approval of the Imperial administration, and in consideration of this cession, the guarantee of the salt works is to be absolutely withdrawn, together with all future claim to the interest of 2 per cent., which was agreed to be paid upon the 5½ millions guaranteed loan. Besides these measures for the partial liquidation of the State debt, and the creation of something like a solid foundation for the paper circulation, it is proposed to establish a national credit medium, for the purpose of providing the requisite monetary facilities for trade and internal improvements, by means of a mortgage bank, which is to be empowered to take mortgages of real property and make issues, upon the

basis of the securities thus deposited in its hands. The capital for this mortgaged bank, it is stated, is to be 35,000,000 florins, and it is understood, that arrangements for establishing it have been absolutely concluded; Baron Bruck acting on the part of the Imperial Government, and Baron Rothschild on behalf of the bank. The principle of this new mortgage bank appears to be, as far as we have information on the subject, analogous to the French Credit Foncier; that it will be empowered to lend, upon the security of fixed or real property, from its own capital in the first instance, and afterwards from the issues which it makes upon the security of the mortgage-deeds, to an amount equal to that of the loans themselves. This will permit of an almost illimitable expansion of credit, and, provided due care be exercised in estimating the value of the property mortgaged, and an ample margin be always maintained between such estimated value and the amount of the advance, there can be no very great danger in the operation. Supposing this to be really the principle upon which the institution is to be constituted, it will differ materially from the Credit Mobilier Society of Paris, to which by some persons it has been likened. The Credit Mobilier Society, as is well known, is the project of that distinguished French financier of the Saint Simonian School, M. Perriere, from whom it is generally understood that Baron Bruck has drawn his inspiration. The operation of the Credit Mobilier, is, according to M. Perriere's own explanation, "to invest or lend, on personal or industrial property, from its own capital in the first instance, and afterwards from the bonds, which it is authorised to issue, to an amount equal to that of its investments and the sum of its deposits in current accounts." The "social" capital of this society is 60,000,000 francs divided into 120,000 shares, but after the entire issue of its shares, it is empowered by its statutes to circulate bonds to the extent of ten times its capital, or 600,000,000 francs, so that should the securities, which embrace railway shares, and other property peculiarly liable to fluctuation, vary to an extent beyond one tenth the whole of the capital of the company would be absorbed, and if, from any cause, there should be a "run" upon its funds, the very necessity of realising would increase the depreciation of its securities, and the society would be insolvent.

The fluctuations in the value of land are generally less abrupt and less extensive than in personal property and ordinary industrial values, consequently the chance of ruinous depreciation is more distant. The project, therefore, so far as the bank is concerned, would seem to be sufficiently safe, and the profit which will result from these mortgage transactions, will compensate it for extending the period for the repayment of the



Government loans, while, upon the other hand, it will provide those means for carrying on industrial enterprises, and increasing the resources of the empire, which, notwithstanding the surplusage of currency, have hitherto, from the worthless character of that currency, been wanting. Upon the whole, M. Bruck's financial measures appear to proceed in the right direction, and were it not for the distrust which past experience has engendered in everything pertaining to Austrian finance, their success might be predicted with some confidence.

## THE COMMERCE AND FINANCE OF AUSTRALIA.

### No. IV.

WHAT would be the position of Australia if the gold-fields ceased to be productive? This question may reasonably be entertained; not that there is any ground for supposing the yield of gold is declining, but that it is right, in estimating a country's material powers, to judge by the lowest rather than by the highest standard; to test the foundations and degree of prosperity, not by periods of excitement arising out of mineral discoveries, but by the staple products of agriculture, the development of commerce and the general industry and pursuits of the community. It need not be argued that Australia could do without the gold, for if, unfortunately, there should be any rapid decline in the production, a reaction in the affairs of the colonies would ensue. Nor is there any occasion now to inquire whether the discovery of gold has been a blessing or otherwise, for, although many interests have been disturbed, emigration has been promoted, wealth has been largely augmented, and there has been greater advancement in the last three years than there would in ten or fifteen years under ordinary circumstances. That Australia possesses resources independent of gold, which must always maintain it in importance, and which, under whatever may happen with respect to the precious metals, cannot fail to render it a most valuable connection of England, are the statements to be inquired into and satisfactorily determined.

Happily for the manufacturing interests of this country, there is no strong competition with Australia in supplying the colonists with fabrics for clothing and decoration, the articles of domestic use and ornament, or any of those luxuries of life which can only be produced to advantage where labour is abundant and skill matured, by that perfect division of employment which is the rule in advanced countries. Hence, there is at present but little evidence of manufacturing ability. The colonies can, however, boast of most abundant resources, useful and necessary to other countries, and a glance at the amount of their exports will prove how they are now extending their communication with the world, and supplying their valuable products in exchange for the merchandise imported. The following table will show the exports, both before and subsequent to the gold discoveries, omitting, of course, all exports of gold.

YEAR.	NEW SOUTH WALES.	VICTORIA.	S. AUSTRALIA.
1850	2,899,600	£1,041,796	£545,039
1851	1,328,576	1,137,121	540,962
1852	2,233,979	1,403,186	736,898
1853	2,743,346	1,231,095	731,595
1854	[Not at present procurable.]	2,020,660	694,422

These exports comprise wool, tallow, hides, gum, bark, lead and copper ores, and a variety of minor articles which are connected with countries where only "raw produce" constitutes the merchandise. The staple product, it is well known, is wool, and the rapidity with which this article has become available for export may be taken as a promising sign for the future. Without going into any extended detail, the sub-joined figures cannot fail to be interesting :—

YEAR.	lbs. WEIGHT.
1820	99,415
1830	1,967,809
1840	9,721,243
1850	42,643,792
1854	47,528,064

It may be argued, that pastoral pursuits do not necessarily prove sound prosperity, that the wealth created becomes to a large extent unproductive, and that there is a state of progression, to attain which is at once to render curtailment of stock necessary, and a concentration of pursuits inevitable for future safety. But, on the other hand, there are strong reasons for maintaining that Australia is peculiarly fitted by natural resources for very extensive pastoral undertakings. With a country, the sea-board of which extends over thousands of miles, and possessing plains rich in pasturage, no other pursuit than sheep-farming could advantageously be followed in the early history of the colonies. The nomadic life was peculiarly fitted for the pioneers of colonisation ; it enabled them early to become producers, and placed the land directly under contribution. It was, moreover, a source of augmenting riches by natural means, as the flocks and herds were constantly increasing, and thus, at a small cost, both of capital and labour, the farmers found themselves the possessors of wealth which the patriarchs of old could scarcely have surpassed, and the occupiers of a territory which would put to shame the boasted inheritors of land in the old country. Indeed, no more advantageous mode for the early development of the colonies could be contrived, and the extent to which they have benefited England is obvious, from the fact that instead of looking exclusively to Spain or Germany for wool, we are almost entirely supplied from our own possessions, whose productions are unsurpassed for quality as well as quantity, and whose supplies are fast superseding those received from all other

quarters of the world. There is no great reason to fear that pastoral pursuits will absorb the other interests in the colonies. If this were to be the case, then most undoubtedly would there be grounds for believing that the progress of Australia would be limited, and her powers circumscribed. It has from time to time been asserted, that the "squatting interest" has become unmanageable from the exclusion of those from the land who would more completely develop its general capabilities, and, instead of using it for mere grazing purposes, cultivate it for bread stuffs, which would not merely supply the wants of Australia, but be abundant enough for export. Now, how stands this question? Is the land only used for pastoral undertakings? Are there no farms showing cereal crops, or dairies producing butter, cheese, and other domestic comforts? Let it be recollected that since the sale of all surveyed land at an upset price of 20s. per acre, "squatting," in the sense of monopolising the land, has become an impossibility. Old grants cannot, of course, be immediately cancelled, nor can leases be forcibly cancelled, without great injustice; but the "sheep runs" will gradually lapse to the governments, when they will become available to those who can most beneficially occupy them; for land, like all other articles, will inevitably find its proper price, and those who can produce grain crops from it are sure not to use it for grazing, especially as it often happens that, however much the wool may be worth, the carcase of the sheep is a drug, and only valuable for the tallow it produces.

In fact, there has already been considerable progress in agriculture, and there is every reason for maintaining that Australia is destined to be a great corn-growing country. The contrary opinion is generally held, from an erroneous belief that the land is poor, and that, from the scarcity of water, agriculture is too expensive to be followed upon any important scale. If the prospects at present are that soon sufficient bread stuffs will be grown for their own wants, a great deal with such a limited population will have been proved. Well, then, the Governor of New South Wales reports, that at the end of 1853, "the returns of agriculture give the number of acres under crop :—

				ACRES
Within settled districts	...	...	...	121,681
Beyond ditto	...	...	...	8,962
				<hr/> 130,643—"

The proportion of this land producing wheat during that year was 74,537 acres; and, although the discovery of gold has caused great fluctuations, there is no doubt that ample experience has been realised to warrant extended operations. This is apparent from the returns of land under wheat crops in the following years :—

1837	...	...	...	...	59,975 acres.
1838	...	...	...	...	47,977 "
1851	...	...	...	...	82,110 "

After which, a sensible decline in agricultural pursuits again occurs.

The state of agriculture in Victoria is not so encouraging :—

1850	...	...	...	52,176 acres under crop.
1851	...	...	...	57,296 "
1852	...	...	...	36,662 "

The great decline is of course to be attributed to the gold discoveries, which have diverted labour from these pursuits, and for a time checked progress in this department of industry.

It is to South Australia that attention must be principally directed with reference to agriculture—for there it is the main stay of the colony, and is rapidly developing a high degree of prosperity. From its fertile soil, the adaptation of the climate, and the facility for obtaining land, South Australia, though limited in population, and looking quiet and unattractive to the other colonies which boast of gold discoveries, is taking pre-eminence in all agricultural pursuits. In 1854 the following were the chief results of farming :—

Wheat	...	...	...	89,945	acres under crop
Barley	...	...	...	6,454	" "
Oats	...	...	...	4,359	" "
Maize	...	...	...	43	" "
Potatoes	...	...	...	1,712	" "
Vineyard	...	...	...	409	" "
Orchard	...	...	...	451	" "
Garden	...	...	...	2,523	" "
Hay	...	...	...	23,402	" "
Total				129,298	" "

From the abundance of good land thus cultivated, South Australia not only supplies the wants of her own population in these articles, but is able to export largely, as the subjoined table, relating to the value of farm-produce will show :—

ARTICLES.	1851.	1852.	1853.	1854.
Wheat .....	£6,414	£19,737	£29,132	£29,349
Bran, &c.....	568	10,765	36,439	59,781
Flour .....	66,204	172,814	179,514	215,769
Hay .....	—	2,592	38,082	83,289

These figures may appear trifling to those familiar with the imports in such articles from large agricultural countries, but they have a significance which cannot be over-estimated when it is remembered that they relate to a small and distant colony, whose population does not yet number more than 100,000 souls. They are not only valuable as proofs of what are the capabilities of South Australia for meeting her own wants, but that Victoria, with its rapidly increasing population so largely engaged in gold seeking, may rely on her neighbour for supplies, till her own rich and extensive territories can be brought under cultivation. For there is no doubt that all the colonies of Australia possess equal capabilities for extending agriculture, and adding to their internal wealth in a manner which is far more enduring, and more permanently valuable than treasures beneath the earth's surface.

The mineral wealth, however, apart from gold, is not to be overlooked. Victoria has not yet shown mines which are specially worth mentioning, and New South Wales, although boasting of iron and copper, only possesses two that yielded ore for export in 1853, viz., 500 tons of copper from "Summer Hill," and 200 tons from "Ophir." The coal mines of this colony are destined to become very important, for in 1853 96,809 tons were produced and there may reasonably be expected a large increase, as wealth, skill, and science, are now being applied to develop the resources of this important interest. South Australia, it is well known, is the most remarkable of these colonies at present for mineral wealth irrespective of gold. The far-famed "Burra Burra" mine has raised the exports of copper to a very important amount. Taking only the last few years for the present purpose, the following are the results:—

YEAR.	QUANTITY.	VALUE.
	TONS.	£
1851	4,948	102,309
1852	11,311	200,301
1853	3,766	63,112
1854	3,247	56,784

This decline, although temporary, may again be attributed to the gold discoveries which attracted the miners to Victoria, and for a time, indeed, stopped copper mining entirely.

Now, in these statements, there is abundance of evidence that Australia possesses internal wealth, independent of gold, which cannot fail to render those colonies important to England, and which must make their progress interesting to all who watch the affairs of commerce. The following tables respecting banking in Australia will show the machinery for conducting and cementing these various interests:—

Title.	Capital.	Reserve.	Dividend per cent.
Union Bank of Australia ... ..	£820,000	£200,000	35
Bank of Australasia ... ..	900,000	200,000	20
South Australian Banking Company ... ..	300,000	44,052	14
London Chartered Bank of Australia... ..	518,560	3,500	4
English, Scottish and Australian Bank ... ..	500,000	6,217	4
Bank of New South Wales ... ..	500,000	81,974	10
Commercial Banking Company ... ..	200,000	26,167	15
Australian Joint-Stock Bank ... ..	200,000	9,585	10

These banks conduct every description of business connected with the receiving and paying of money, discounting of bills, making advances on cash credits, remitting money to and from England, and generally render such facilities to commerce as is usual with similar establishments in this country. They have, like those banks, formed connections

with distant places, but, instead of trenching upon Europe, which may be looked upon as occupied ground, they have confined themselves to India, the Mauritius, the Cape of Good Hope, and America. That they have well followed the internal trade and the population of Australia, will be seen from the numerous places where branches or agencies have been established :—

PLACE.	BANK.
<i>New South Wales—</i>	
Albury .....	Bank of New South Wales.
Bathurst .....	Union Bank of Australia.
Brisbane (Moreton Bay) ..	Bank of New South Wales.
Ditto ditto ..	Union Bank of Australia.
Goulburn .....	Ditto.
Ipswich .....	Bank of Australasia.
Ditto .....	Bank of New South Wales.
Maitland .....	Ditto.
Ditto .....	Bank of New South Wales.
Newcastle... ..	Bank of Australasia.
Ditto .....	Bank of New South Wales.
Sydney .....	Bank of Australasia.
Ditto .....	Union Bank of Australasia.
Ditto .....	Bank of New South Wales.
Ditto .....	London Chartered Bank of Australia:
Ditto .....	{ English, Scottish, and Australian Chartered Bank.
Ditto .....	Australian Joint-Stock Bank.
Ditto .....	Commercial Banking Company.
Ditto .....	Oriental Bank.
<i>Victoria—</i>	
Avoca .....	Bank of Victoria.
Ballarat .....	Bank of Australasia.
Ditto .....	Bank of New South Wales.
Bechworth .....	Bank of New South Wales.
Belfast (Port Fairy) .....	Bank of Australasia.
Ditto ditto .....	Bank of Victoria.
Castlemaine .....	Bank of Victoria.
Geelong .....	Bank of Australasia.
Ditto .....	Union Bank of Australia.
Ditto .....	Bank of New South Wales.
Ditto .....	London Chartered Bank of Australia.
Ditto .....	Bank of Victoria.
Kyneton .....	Bank of New South Wales.
Maryborough .....	Bank of Victoria.
Melbourne .....	Bank of Australasia.
Ditto .....	Union Bank of Australia.
Ditto .....	Bank of New South Wales.
Ditto .....	London Chartered Bank of Australia.
Ditto .....	{ English, Scottish, and Australian Chartered Bank.
Ditto .....	Bank of Victoria.
Ditto .....	Oriental Bank.
Mount Alexander .....	Bank of New South Wales.
Ovens' River .....	Ditto.
Portland .....	Bank of Australasia.
Portland .....	Union Bank of Australia.

Bandhurst .....	Bank of Victoria.
Warrnambool .....	Bank of Australasia.
Williamstown.....	Ditto.
<i>South Australia</i>	
Adelaide .....	South Australian Banking Company.
Ditto .....	Bank of Australasia.
Ditto .....	Union Bank of Australia.
Ditto (Port).....	Ditto.

### ADVANCE IN THE BANK'S RATE OF DISCOUNT.

THE further advances made in the Bank's rate of discount, have excited much comment from the daily press, the dates of the respective alterations being the 27th of September, the 4th and the 11th of October. *The Times*, referring to the first movement, remarked:—

The Bank of England to-day have increased their rate of discount from 4½, at which it was fixed a fortnight back, to 5 per cent. The measure was received with general satisfaction, and was followed by a partial recovery in the stock-market, which at the opening had exhibited a most unsettled appearance. Consols, which after regular hours last evening declined to 84½, were first quoted 84½, whence they further receded until they touched 84½. The closing of an adverse speculative account then caused a rally, which was supported by the advance in the rate of discount to 5 per cent., many persons regarding it as the best guarantee for a favourable reaction, while others were influenced by its contradicting a rumour of the speculators that it would be put up to 5½ per cent. Under these circumstances an improvement took place to 84½, but the last official transactions were at 84½ to ½ for money, and 84½ to ¾ for the 12th of October. At a later hour there was again an increase of firmness, and bargains were effected for the account at 84½ to ½. The unfunded securities continued to show heaviness, and India bonds left off at par to 5s. premium; Exchequer bonds, 98½ to 99½; and Exchequer bills, 5s. to 1s. discount. The Bank of England rate for advances on securities remains at the point fixed yesterday, namely, 4½ per cent. The discount houses to-day gave notice of an advance in the rates of allowance to 4 per cent. for money at call, and 4½ per cent. for deposits with a week's notice of withdrawal. It was difficult to form an opinion of the state of the discount market to-day, but it was generally reported easier. In some instances the best foreign bills were negotiated at 4½.

The tendency to greater steadiness observable in the English funds this afternoon was looked for, not only from the peculiar character of many of the circumstances which have led to the recent action of the bank, but also from the experience of former occasions when the money market was much less sound than at the present moment. According to the last *Gazette* return, the stock of bullion was £13,698,455, and the notes in reserve £7,506,800, and under the influence of these figures and the knowledge that the next statement will be less satisfactory, consols have touched 84½. As there is now three months' dividend upon them, that price is equivalent to 87½. If this state of affairs be compared with January last, when a temporary exportation had reduced the bullion to £12,162,495, or £1,535,960 below the total exhibited last week, a great discrepancy will appear in the relative positions of the stock-market. Consols, with the dividend just off, then stood firmly at 91½, or 4½ per cent above the quotation of this morning. Yet the notes in reserve then held by the bank were nearly £2,000,000 less than the amount of last week, the state of the Government balances afforded no re-assuring symptom, the rate of discount was 5 per cent., and,

lastly, Sebastopol remained in the hands of the enemy, while the reports received from the seat of war were such as to cause a political crisis. The explanation seems to lie chiefly in the perplexity and alarm created among the dealers by the suddenness of the movements just witnessed. This suddenness should however have been regarded as their best feature, since, with the commerce of the country perfectly healthy, and the realisation of an average harvest, confidence might at least have been entertained that no violent pressure could come on so as to take the banking world by surprise, except as a consequence of some exceptional circumstances which would admit of a correction equally rapid.

The writer in the *Daily News* observed :—

The directors of the Bank of England, at their weekly board to-day, realised the general expectation by raising their *minimum* rate of discount from  $4\frac{1}{2}$  per cent., at which it has stood only since the 13th inst., to 5 per cent. Prior to this announcement the English funds showed additional heaviness, but on receipt of the notification a rally set in, and the closing quotations were about the same as those current at the close of the Stock Exchange yesterday. The public are again considerable buyers of stock, but the continued sales by the Bank of England and others more than neutralise these investments. There is, however, an evident increase of speculation for the fall in the Consol market. Exchequer securities show further depression, being unfavourably influenced, apart from the present pressure for money, by the apprehension that a large fresh issue of Exchequer bills must take place towards the close of the year. The bills have fallen to 5s. to 1s. discount, and Exchequer bonds to 98 $\frac{1}{2}$  to 99. In the other departments of the Stock Exchange the tendency this afternoon was generally rather more favourable, owing to the hope entertained that this rigid adoption of restrictive measures by the Bank will at length check the efflux of gold, and render the money market more settled in character. It was stated, however, that a further amount of gold was to-day withdrawn from the Bank of England, and the belief was that this operation could be only on account of the Bank of France. In Lombard-street the rates of discount are now fully equal to those of the Bank of England. The discount houses have raised their rate for money at call to 4 per cent., and to  $4\frac{1}{2}$  per cent., if a week's notice be given. The several joint-stock banks have also raised their rate for money on deposit to 4 per cent.

On the occasion of the second advance, which took place on the 4th of October, the event was thus alluded to in the *Times* :—

The Bank of England to-day have increased their rate of discount from 5 per cent., at which it was fixed last Thursday, to  $5\frac{1}{2}$  per cent. The measure has excited considerable dissatisfaction among the London bankers and others, inasmuch as the supply of money, even at the existing rate, was in excess of the demand; and it therefore throws them into uncertainty, while, at the same time, it is calculated to check the legitimate trade of the country. The Bank directors, however, it may be assumed, have been guided solely by the nature of their latest bullion returns, and by the necessity, in face of the extraordinary proceedings of the Bank of France, of not deferring for a single week any precaution that may be indicated. The Bank of France have at length notified an increase in their rate of discount from 4 per cent. to 5, and have at the same time resolved to limit their accommodation to bills having only 75 days to run, instead of three months as heretofore. This intelligence will tend in some degree to allay apprehensions, which were becoming very prevalent, that financial experiments of an unsound and extraordinary character were in contemplation by the French Government.





The announcement of the 18th of October occasioned great excitement, and the *Times* thus descanted upon it:—

The Bank of England to-day have advanced their rate of discount from  $5\frac{1}{2}$  per cent., at which it was fixed on the 4th inst., to 6 per cent., for bills not having more than 60 days to run, and to 7 per cent. for those from 60 to 95 days. The Bank of France have also advanced their rate from 5 per cent., at which it was fixed on the 4th inst., to 6 per cent. The English funds opened this morning with an unsettled appearance, at a decline of an eighth from the last prices of yesterday, and the first transactions in Consols for money were at  $87\frac{1}{2}$  to  $\frac{1}{8}$ . The public, however, still continued to show confidence, and an improvement took place to  $87\frac{3}{4}$ . The announcement of the measures of the Bank of England then caused a fall to  $87\frac{1}{2}$ , which was the last quotation. For the account they left off at  $87\frac{1}{2}$  to  $\frac{1}{8}$ . The steady purchases made during the last week have absorbed all the surplus stock in the hands of the dealers, and loans on Consols can therefore be obtained at an extremely low rate. Under these circumstances, the appearance of the market is far from unfavourable, notwithstanding the movement in discounts.

The measures of the Bank of England to-day are rather more stringent than was expected, but, although they will cause the financial course of the country during the next two or three weeks to be regarded with almost unparalleled watchfulness, they have excited neither dissatisfaction nor alarm. It is assumed that the next *Gazette* return will exhibit a further large decrease in the bullion, and, apart from this, the fresh step taken by the Bank of France confirms the necessity for increased caution.

The total absence of commercial distrust is as marked as ever, and apparently the only point for dread is, lest the public, unaccustomed as they are to such a rate as 6 per cent., should suffer themselves to suppose that it necessarily involves something terrible. "What are to be the consequences?" is a question passed from one idle person to another. The real features of our position, however, owing to the indisputable healthfulness of trade, admit of being summed up with more than ordinary precision. One principal matter, which the public have yet to learn, is the vast effect of a very moderate withdrawal of bullion. During each of the last seven weeks, the average drain from the Bank, which has been accompanied by a series of advances in the rate of discount, until, from  $3\frac{1}{2}$ , it has reached to 6 per cent., has been about £550,000, that is to say, the Bank have raised their rate  $\frac{1}{2}$  per cent. for every £700,000 or £800,000 lost. The singular delay in the Australian arrivals which has again become noticeable is, therefore, nearly enough to account for the increased pressure of the last week or two. According to sound estimates, at least £1,000,000 is now overdue, and some persons set the amount at £1,500,000. The absence or presence of this latter total might have made a difference of 1 per cent. in the Bank rate. Again, the more recent reports from France of a deficiency of at least 3,500,000 quarters of wheat, and a like quantity of rye, have given a new impulse to our orders for grain. These imports are not required for our own use, and consequently are as good to us as gold, except that they involve delay before we can convert them, and, meanwhile, the pressure is just as great as if the gold they are ultimately to repay would never reach us. Hence there are influences amply to account for all the disturbance now experienced, in addition to that originally created by the withdrawals on the part of the Bank of France. It is true a cause of perplexity remains in the fact that, if, by the reaction from the recent measures of the Bank of France, coupled with shipments of grain to that country, things arrive at a point which would draw gold back from Paris, the difficulties on that side may involve the adoption of new plans to obtain a further artificial supply from the Bank

of England; but there is a limit to such operations. The continental markets having been once cleared of bills, can only thenceforth furnish the natural daily quantity created by the regular operations of commerce. While with regard to the use of accommodation paper, or the obtaining of money on the deposit of foreign securities, there can scarcely at present be much apprehension. It is to be remarked, moreover, that while the public generally fail to estimate the momentary effect of the loss even of a moderate sum of bullion, they also, on the other hand, never attach sufficient faith to the effects of an increase in the rate of discount. In 1847 it was carried as high as 8 per cent., the Bank bullion having fallen to £8,312,691, and in a month from that time a reaction commenced, until within a year it was as low as 3 per cent., and went on unchecked until it had declined to 2 per cent. There is no reason to suppose that in the present instance the measures adopted will prove less efficacious. Indeed, as the drain has been much more sudden now than then, there might, perhaps, were it not for the Turkish loan, be an expectation of a still more rapid reaction, as soon as the final point of pressure shall have been reached. Already there are indications that strong effects have been produced. From Hamburg, it is said, gold could now be sent both to Paris and London. The demand for specie for India has subsided, and, although the next steamer will take out probably £300,000, it will chiefly be for contracts previously entered into.

But will even the certain prospect of mitigation be sufficient meanwhile to sustain confidence all over the country? Hitherto everything has tended to that conclusion, and among the banking and other financial establishments in London not a shadow of distrust in its accuracy is observable. The great addition made by the Bank in their charge for bills having more than sixty days to run will probably affect more than a third of the paper in circulation; but one object of that step was, doubtless, to throw the demand from the Bank, where it had lately been too much concentrated, to the discount houses, who have been cautiously holding back until they could feel moderately certain that the highest point had been reached. Should they now entertain that conviction—and, inasmuch as 7 per cent. is within one per cent. of the highest rate known in modern times, the supposition that they will do so seems reasonable—they will be prepared to act with more boldness, and the market may assume, from the absence of uncertainty, a degree of soundness greater than previously prevailed. If this hope be realised, and all should go well during the next month, the advantage to the country will be incalculable, from the demonstration that will have been gained of the possibility, under the Bank Charter Act, of our passing through a period of trial without falling into senseless panic, while it will also afford a lesson to Russia and her friends as to the actual solidity of that commerce to which we look for the means to meet any struggle, however protracted, that may be necessary to accomplish all that we have resolved upon.

With regard to the same event, the *Daily News* observed:—

The directors of the Bank of England to-day raised their minimum rate of discount from 5½ per cent., at which it was fixed on the 4th inst., to 6 per cent. as regards bills having not more than 60 days to run, and 7 per cent. for bills not exceeding 95 days. The Bank of France have also raised their rate of discount from 5 to 6 per cent., and have restricted all loans upon rentes, railway shares, and bonds, to only 30 per cent. of their actual value. These announcements have excited considerable sensation, inasmuch as they prove beyond question that the drain upon the resources of the two institutions has proceeded so far as to demand the strictest measures of correction. The discount rate of the Bank of England has not stood at 6 per

cent. since December, 1847. It is stated that to-day's advance has been in great part prompted by the fact that the efflux of gold has not yet ceased, further withdrawals of the precious metal from the Bank having taken place during the last two days. The demand for accommodation at the Bank is also understood to continue active. To these two circumstances we must doubtless look for the chief explanation of to-day's movement. It is highly gratifying to notice that, although the decided character of the check now given to trade is fully recognised, there is still in every quarter an entire absence of tendency towards panic. The various Stock Exchange markets have naturally suffered, and closed this afternoon heavily, but the actual reduction in prices has in no case assumed extravagant proportions. In other commercial quarters, there is a similar indisposition to encourage alarm, combined with an evident hope that the severe restrictions now imposed will strengthen our hold upon the precious metals. Few persons venture to anticipate that the export of gold will be stopped by the present further rise in the value of money, but it is generally considered that a wholesome influence will be exercised in that direction, although the movement of our Bank is to a certain extent counteracted by that of the Bank of France. Meanwhile, it must be remembered that large arrivals of Australian gold may at any moment be announced, and would probably afford sensible relief. As regards the general discount market, the bank movement has been attended as yet with little effect. In many quarters the rates hitherto charged have been rather above those of the Bank. It is still noticed that a liberal supply of money is offered at present rates. In the Stock Exchange, especially, money continues easy at  $3\frac{1}{2}$  per cent. on Consols, owing to the extent to which stock has been lately absorbed by the dividend recipients, and by the public at large. The Lombard-street discount houses have not yet announced any change in the rate allowed by them for money "at call." Although such comparative steadiness is maintained on this side, it is feared that the stringent measures now adopted in Paris for curtailing the current Bourse speculation will lead to considerable embarrassment, the undue encouragement hitherto accorded to the Bourse by the Government, by the Bank of France, and by the new financial societies, having given an unsafe extension to speculative operations. The suddenness with which the Bank of France now turns round against the Bourse will, it is apprehended, lead to great losses.

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#### THE GOLD PURCHASES BY THE BANK OF FRANCE.

THE unsettled state of our financial relations, produced in a great degree by gold purchases on account of the Bank of France, has naturally directed attention to the mode in which these operations have been carried out. At first, the severe drain caused by heavy remittances to Paris was attributed to other influences than those immediately connected with this movement, and Russia, as well as Austria, were alleged to be draining from us supplies of the precious metals to recruit their own exhausted resources. It is now, however, clearly ascertained, that the great bulk, if not the whole of the bullion taken from the Bank of England and the public market, is for the Bank of France, whose specie reserves have latterly experienced a great and continuous declension. Some small portion of gold and silver may have gone through Hamburg and Amsterdam to St. Petersburg, and in the two former places sales of securities may have been arranged to augment the supply; but it is not probable that

any large amount will be found to have disappeared through their channels. It is, however, well understood that the Bank requires material assistance, and would be very glad to negotiate a loan for a much longer term than its usual term, in order to meet its extraordinary needs. It is, however, to be ascertained that the Bank of France, having contracted previously to the extent of £2,000,000, has issued 1,400,000 francs, which is now in course of fulfilment, for an additional £2,275,000, during the time to be occupied £1,000,000. It remains to be seen whether when this amount shall have been negotiated, the necessities of that great establishment will have been fully satisfied, or whether other measures will have to be adopted to increase the solidity of its position and prevent any fresh derangement. The late restrictive policy of the discount, in raising the rate of discount from 4 to 5 per cent, and raising rates to 6 per cent, to meet the measures of the Bank of England, would tend to the conclusion that they are endeavouring to surmount this temporary difficulty in a fair and legitimate manner.

In alluding to the subject, when the discovery was first made that the Bank of France was purchasing gold in large quantities, the *Times* remarked:

It was lately mentioned that the amount of gold originally estimated by the Bank of France to be obtained from this country was £1,500,000, and that the greater part was believed to have been already sent. Later dispatches, however, from well-informed quarters, indicate that even this extraordinary statement was far below the truth. The sum originally obtained is now said to have been between £2,500,000 and £3,000,000, and subsequently an additional total of £1,000,000 has been purchased, the remittance of which is completed, or nearly so. Should this prove correct, it will sufficiently account for the movements lately witnessed in the money market, and which have excited perplexity in the minds of every one acquainted with the natural course of the trading relations of the country. The entire transaction is said to have been going on for more than six weeks, during which the rate of exchange has reached a point which, with a slight further alteration, would cause gold to flow from Paris to this side. That the operation has been purely artificial, is evidenced by the fact that, if this country had been indebted to France to the extent in question, the gold would have gone hence as a matter of course, and the Bank of France need not have troubled themselves to offer a price for it beyond its natural value. In whatever way the payment for the supply may thus far have been effected, it must, consequently have been, in great part, of an equally artificial character. The money houses of Paris usually keep considerable quantities of Bank of England notes, and short bills on London, in their portfolios, but, even if the market has temporarily been cleared of these for the purpose, the explanation would seem very inadequate for an amount of such magnitude. Indeed, the merchants and bankers of Paris seem to be contemplating a reaction as inevitable, and rumours have been circulated in the *Presse* and other newspapers, of methods which are to be devised to meet it. Among other things, a decree has been talked of to render it not compulsory for the Bank of France to pay in gold, but they are not at present under such compulsion. They are at liberty to pay in silver, if they prefer to return to that course, and, as gold has now risen to a premium at Paris, they would probably do so, but for the inadequacy of their stock of that metal. Moreover, if they contemplated refusing gold, or even suspending specie payments altogether, it is little likely that they would use great and exceptional

efforts to obtain gold, since the very object of the measure would be to dispense with the necessity for it. An increase of the capital of the Bank to double its present amount, is another of the plans suggested, but it is impossible to say with what authority.

Subsequently, when the same journal referred more specially to the manner in which these purchases were effected, it remarked :—

The mode in which the greater part of the gold sent from this side has been obtained by the Bank of France, is asserted not to have been by accommodation paper between the houses employed in the transaction, but simply by their clearing the market of all the bills and bank notes in London, that could be procured. The whole process, therefore, appears to have been as follows :—The Bank of France proposed to the house of M. St. Paul, of Paris, to pay a high price for a certain amount of gold; this price was such as to enable M. St. Paul to give high terms for drafts on London, which were accordingly bought up in all quarters, and transmitted to agents on this side, with instructions for the proceeds to be remitted to Paris in gold. On the gold being taken to the Bank of France, the payment for it to M. St. Paul, of course, took place in the notes of that institution, and in this way the affair of the first £3,000,000 was accomplished. But it is not to be supposed that the amount of bills naturally obtainable in Paris would have furnished the full supply. The artificial prices offered attracted bills from other quarters of the continent, and thus the remittances have probably been composed of all the floating claims on London that could be transmitted to the Paris market, from the trading ports of Prussia, and of other neighbouring countries. Whether the negotiation of the remaining £1,000,000 was managed in the same way is uncertain; but, assuming even that the whole £4,000,000 has been so obtained, it may be regarded as the withdrawal of an amount which must, sooner or later, come back. If, for instance, the average total of claims on London afloat on the continent of Europe at all periods, when the rates of exchange are not against us, is £10,000,000, and that average be suddenly reduced by £4,000,000, our position in relation to the continent is precisely to that extent better than in ordinary times; and, while the average is being allowed to regain its former aggregate, we shall derive the benefit of retaining £4,000,000 that would otherwise, in the course of trade, pass through, instead of stopping in this country. Doubtless, if all the negotiable claims of England on the continent were suddenly collected together, and sent over for realisation in the same manner as the claims upon us have now been accumulated and presented, we could, at any time, draw thence an equal or much greater amount, and it is the advantage of the raising of the rate of discount by the Bank of England, that it promotes in a legitimate, instead of an artificial manner, a process of that description, inasmuch as by rendering money scarce, it induces the commercial communities to call in from abroad every amount that may be available.

It will be perceived, that while the writer in the *Times* considers that the gold thus abstracted will shortly return, the City correspondent of the *Daily News* is not so sanguine of an immediate reflux. In support of this view, he thus remarks :—

As great interest attaches to the present remarkable bullion operations of the Bank of France, and as various erroneous statements have been put forward relative to the contracts entered into between that establishment and houses on this side, an authoritative recapitulation of the facts may be useful. We have to repeat, then, that the first contract was for forty millions of francs, or say £1,600,000, and was taken by Messrs. R. Raphael and Sons. Forty days were allowed for the fulfilment of this contract, but it was com-

any large amount will be found to have disappeared through those channels, although it is well understood that the Czar requires material assistance, and would be only too glad to negotiate a loan for a much higher sum than he could ever hope to raise by these surreptitious means. No doubt appears to be entertained that the Bank of France, having completed purchases to the extent of £4,000,000, has issued a further contract, which is now in course of fulfilment, for an additional £2,000,000, making the total to be obtained £6,000,000. It remains to be seen whether, when this amount shall have been negotiated, the necessities of that great establishment will have been fully satisfied, or whether other measures will have to be adopted, to increase the solidity of its position and prevent any fresh derangement. The late restrictive policy of the directors, in raising the rate of discount from 4 to 5 per cent. and subsequently to 6 per cent., to meet the measures of the Bank of England, would lead to the conclusion that they are endeavouring to surmount this temporary difficulty in a fair and legitimate manner.

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efforts to obtain gold, since the very object of the measure would be to dispense with the necessity for it. An increase of the capital of the Bank to double its present amount, is another of the plans suggested, but it is impossible to say with what authority.

Subsequently, when the same journal referred more specially to the manner in which these purchases were effected, it remarked :—

The mode in which the greater part of the gold sent from this side has been obtained by the Bank of France, is asserted not to have been by accommodation paper between the houses employed in the transaction, but simply by their clearing the market of all the bills and bank notes in London, that could be procured. The whole process, therefore, appears to have been as follows :—The Bank of France proposed to the house of M. St. Paul, of Paris, to pay a high price for a certain amount of gold; this price was such as to enable M. St. Paul to give high terms for drafts on London, which were accordingly bought up in all quarters, and transmitted to agents on this side, with instructions for the proceeds to be remitted to Paris in gold. On the gold being taken to the Bank of France, the payment for it to M. St. Paul, of course, took place in the notes of that institution, and in this way the affair of the first £3,000,000 was accomplished. But it is not to be supposed that the amount of bills naturally obtainable in Paris would have furnished the full supply. The artificial prices offered attracted bills from other quarters of the continent, and thus the remittances have probably been composed of all the floating claims on London that could be transmitted to the Paris market, from the trading ports of Prussia, and of other neighbouring countries. Whether the negotiation of the remaining £1,000,000 was managed in the same way is uncertain; but, assuming even that the whole £4,000,000 has been so obtained, it may be regarded as the withdrawal of an amount which must, sooner or later, come back. If, for instance, the average total of claims on London afloat on the continent of Europe at all periods, when the rates of exchange are not against us, is £10,000,000, and that average be suddenly reduced by £4,000,000, our position in relation to the continent is precisely to that extent better than in ordinary times; and, while the average is being allowed to regain its former aggregate, we shall derive the benefit of retaining £4,000,000 that would otherwise, in the course of trade, pass through, instead of stopping in this country. Doubtless, if all the negotiable claims of England on the continent were suddenly collected together, and sent over for realisation in the same manner as the claims upon us have now been accumulated and presented, we could, at any time, draw thence an equal or much greater amount, and it is the advantage of the raising of the rate of discount by the Bank of England, that it promotes in a legitimate, instead of an artificial manner, a process of that description, inasmuch as by rendering money scarce, it induces the commercial communities to call in from abroad every amount that may be available.

It will be perceived, that while the writer in the *Times* considers that the gold thus abstracted will shortly return, the City correspondent of the *Daily News* is not so sanguine of an immediate reflux. In support of this view, he thus remarks :—

As great interest attaches to the present remarkable bullion operations of the Bank of France, and as various erroneous statements have been put forward relative to the contracts entered into between that establishment and houses on this side, an authoritative recapitulation of the facts may be useful. We have to repeat, then, that the first contract was for forty millions of francs, or say £1,600,000, and was taken by Messrs. R. Raphael and Sons. Forty days were allowed for the fulfilment of this contract, but it was com-



pleted within a month from its date, and the whole of this transaction was thus terminated within the last three weeks. The entire sum of £1,600,000 payable to Messrs. Raphael for his gold was defrayed, we are informed, by short bills on London, representing *bond fide* transactions at maturity, including bank post bills and bank-notes, together with some remittances in silver. In fact, the whole of this operation seems to have been carried out without accommodation paper of any description; and the real position of the matter would appear to be, that advantage was taken of every available debt due in the course of trade from England to France to facilitate the withdrawal of the £1,600,000 in gold from this country. It was chiefly with reference to these circumstances that we cautioned the public not to rely upon the reflux of this gold. The second contract was for 75,000,000*fr.*, or about £3,000,000, and was also offered to Messrs. Raphael and Sons, who, however, having regard to the tightening tendency of the money market, respectfully declined it. The contract for this sum was then accepted by another of the principal monetary firms of London, Messrs. Rothschild Brothers, and is now in course of execution. We believe the price at which the second contract was taken is 10*s.* premium per *mille*, or 1,000 francs. The premium paid by the Bank of France is thus calculated to be at the rate of about 1 per cent.

During the last few weeks, while this topic has been under consideration, numerous letters have been addressed to our daily contemporaries, with reference to the result of these operations, from which we have selected the most prominent. Several of the writers, taking a general view, advert to the influence of the course pursued by the directors of the Bank of England in raising the terms of accommodation, which has introduced one or two collateral suggestions worthy of consideration. With regard to the gold purchases, the majority appear to consider that the method by which the recent measures were carried out, was in accordance with that already described; but a variety of opinions are forwarded by correspondents, each illustrating the extent of uncertainty that prevails. Thus, one writer, whose opinion on any financial question would at all times command attention, observes:—

I think there must be some mistake in the idea that the measure can have been accomplished by an operation through the Bourse. It seems to me evident, that if the scheme has been carried to the extent mentioned (£4,000,000), the bullion can only have been obtained by the deposit in this country of some general securities with the large financial establishments having heavy deposits in their hands, which they may have been tempted to advance by the offer of a high rate of interest. An operation of that kind may be carried on for many months, provided the borrowers be willing to pay the rate of interest demanded. It appears to me the inquiry is worth notice. Whether, however, my idea be right or wrong, it is clear that such mysterious proceedings may prove extremely detrimental to both countries. In the present cordial good understanding between France and England, it becomes the duty of both to unite their strength in every way, not to divide it. I have often thought that an intimate correspondence upon emergencies between the two Banks of France and England might be beneficial to both; and if the existing charters of either do not now admit of it, an alteration or power to accomplish that object might be given for their mutual advantage.

Another correspondent considers there must still be some influences in operation which have not been made public, and is disposed to agree with those who suspect a Russian loan. "It is stated," he observes, "by foreign merchants and moneyed men, that the Russian Govern-

ment, not now in very good credit, have offered terms to the Dutch bankers for a loan, which, it would seem, they have not been able to resist. This has led to the sale, in the English and French markets, of all other kinds of securities, national and private, held on account of the Dutch bankers, the proceeds of which have been remitted to Holland in gold, to be sent thence to Russia." Such a supposition, however, is not borne out by anything that has been lately observed. Some insurances for gold to Hamburg, where the market for that metal is ordinarily very limited, attracted attention two or three weeks ago, from the impression that it was destined for Berlin, or, in other words, St. Petersburg; but the total sent, although larger than is usual to that city, was not of any magnitude, and during the last fortnight the feature has ceased altogether. As regards a direct loan from Amsterdam to Russia, the transaction could not long be concealed, and would, it may be presumed, immediately give rise to interference on the part of the allies; while, at the same time, its difficulties would be increased by the certainty that no houses pretending to any respectability in London or Paris would lend themselves to assist it. Indeed, on this point the same correspondent rightly observes, "We should object to any of the continental Governments supplying Russia with articles contraband of war, and it is surely as objectionable that they should be permitted to supply her with gold—the sinews of war."

The next letter contains a protest against the recommendation that the Bank of England, instead of raising their rate of discount, should reduce the period for bills to run:—

Sir,—Referring to a letter, respecting the cause of the drain of gold to Paris, and without entering upon the question whether the same has been paid for by accommodation bills or not, I desire to notice a suggestion of that writer that the Bank of England should, in lieu of raising the rate of discount, 'gradually and decidedly reduce the time which bills admitted for discount have to run;' because, as he writes, 'raising the rate of discount is calculated so injuriously to interfere with the ordinary *bona fide* business transactions of the country.' But is not such a restriction, in point of the time bills have to run, calculated to operate more injuriously to business in general than a raising of the rate? Is not the greater part of the vast trade of this country carried on by means of bills of three months and longer date? If so, would not such a step more disastrously affect the trading body of this country than a raising of the rate? While, as regards the moneyed houses of this city, engaged in the bullion transactions, against whom this restriction in point of the time of bills is apparently levied, they would be comparatively little affected by it, as, with their extensive foreign connections, they can better command short dated paper.

A great part of the recent pressure has arisen, as you have stated, from the cautious rates, and, I would add, conduct of the discount houses, causing much of the business which would ordinarily have passed through their hands to go to the Bank of England. The discount houses curtail their business or charge a higher rate than the Bank, and, as a consequence, people have recourse to the latter. Such conduct, if persisted in, will probably lead to a crisis, as the Bank will get too many bills, and the Bank seems scarcely to dare to throw out any paper, because it is said to be a public establishment; and thus, in times like the present, they have additional custom from houses who can, and when money is cheaper out of doors do, get accommodation elsewhere.

In justification of the course lately taken by the discount houses, I believe they state it has been caused by the frequent, and, in some cases, to them unexpected, rises in the Bank rate lately, making them heavy losers, and apprehensive of further steps in the same direction.

The remedy for all this seems to me to be that the Bank of England should regulate their business according to the demands upon them day by day, at various rates, and not promulgate to the world once a week their *minimum* rate (I believe this subject has often employed your pen); failing this, that the other banks, private and joint-stock, and the discount houses, should not too greatly restrict their business (there does not appear to have been so much of undue speculation of late), but act with a judicious liberality and not throw too great a burden upon the Old Lady of Threadneedle-street.

W. B.

The annexed refers to the anxiety felt for the appearance of each Bank return, and urges their more speedy publication:—

At the present time, when the Bank returns are looked forward to by the mercantile community with so much interest, you would do them a great service if you would lend your powerful advocacy to induce the Bank directors to publish their returns somewhat more in the spirit of the age. According to the present regulation, the result of the week's movement in the bullion is not known until the following Friday; meanwhile rumours supply the place of facts, creating alarm and unsettling business.

In the present day, when steam and the electric telegraph put us in possession, in a few hours, of latest intelligence from distant parts of the globe—when the state of the money market in New York is known almost as soon as the state of the bullion in the Bank of England—surely it is not too much to ask of the Bank directors to depart from a plan worthy only of the last century, and to furnish the public at an earlier date with the actual state of the bullion in the Bank.

The plan I would suggest is, that the returns, instead of being made up as now, should be made up on Wednesday evening, and published in the *Gazette* of the following Friday. The directors would be able to deliberate upon them at their meeting on Thursday, before they are made public, while their early publication would tend, in times like the present, to do away with rumours which are far more injurious than the worst reality.

A. B.

The subjoined communication relates to the operation of the measures of the Bank on a specific class of trade bills:—

City, October, 19.

Sir,—I beg to call your attention to the very serious inconvenience to which the numerous wholesale houses whose engagements fall due on the 4th of each month will be subject by the resolution of the Bank of England not to discount bills having more than sixty days to run, except at the high rate of 7 per cent. If a house holds bills due on the 4th of January, and wishes to discount them, to provide for payments on the 4th of November, it will be shut out from the Bank of England, except at 7 per cent. As those bills would, on the 3rd of November, have sixty-two days to run, and as most trade bills are drawn at three and four months' date, the wholesale traders will be, for all practical purposes, shut out from the Bank of England. If the limit had been sixty-five days, instead of sixty, it would have afforded considerable relief.

I am, sir, your obedient servant,

A TRADER.

The following suggests that the Bank returns should be made public,

after the breaking up of the court on each Thursday, instead of being delayed till Saturday :—

Sir,—If the mercantile community is bound to conduct its affairs by the condition of the Bank of England, ought not the directors to publish the weekly statement without unnecessary delay ?

Why should not a copy of the Bank returns, immediately after the directors adjourn on Thursday, be placed in different conspicuous places within the Bank, posted in the Royal Exchange, forwarded to the Stock Exchange and the newspapers, instead of smothering them for forty-eight hours, until Saturday morning, when business men first see them ?

Yours very respectfully,

October 18.

H.

### THE FRENCH MONEY STANDARD.

THE "Académie des Sciences Morales et Politiques" of France has recently again been occupied with the consideration of the subject of the auriferous discoveries of California and Australia, and their probable consequences on the relative value of the two metallic standards, the measures and media of exchange of all other values—gold and silver.

Holland and Belgium, it is known, have already demonetised their gold, and many distinguished members of the society above mentioned, apprehensive in an economical point of view as to the effect, actual or probable, of such a sudden augmentation upon the markets of the world, have counselled the Government to adopt a similar proceeding.

By the demonetisation of gold, or repeal of the invariable *rapport* between the two metals, established by the law of Germinal, an 11<sup>e</sup>, they affirm an approach would be made towards a system more in harmony with the habits and requirements of the French people; and the inconveniences, arising from the existence of two distinct monetary types, possessing a value identical in law, consequently avoided.

Without doubt the simultaneous existence of two moneys, having the same conventional value, at the same time that their real and marketable price is different and variable,\* exposes the monetary system of that country to an incessant oscillation; so that it rests exclusively sometimes on gold and sometimes on silver, according as the foreigner finds it advantageous to draw from it that metal which possesses a superior commercial value, France preserving the one only which is relatively depreciated.

In France the monetary system is *en fait* composed of silver pieces of five francs and under, and of bank-notes. Actually, on the contrary, the current money consists of gold coins of twenty francs, given and taken at par in all payments, whilst silver five-franc pieces are becoming every day more scarce, and in certain localities exist only in the proportion strictly necessary for the demands of the circulation.

So sensible is the Government of this fact, that, with a view to replace the old crown piece, it has decreed the fabrication of gold coins of ten and five francs. From whatever cause, say the advocates of this measure, whether the four silver pieces of five francs possessing a superior commercial value to that of the gold piece of twenty francs, the former makes the more favourable remittance; whether the demonetisation of gold in several neighbouring countries has rendered an augmentation of silver pieces indispensable, the exportation of silver is an approved fact, and, should the movement be suf-

\* The franc is composed of two quantities, the one consisting of 4½ grammes of silver, the other of 29 centigrammes of gold.

ferred to continue, with no interposition on the part of the Government, in the course of a few years that metal will disappear altogether, leaving gold and bank-notes alone to provide for the necessities of the circulation. It is equally incontrovertible, upon the same authority, that the proportion between the two metals has for the moment become interverted, the premium formerly obtained by gold in commerce having ceased to be any longer allowed. The ratio established by the law of Germinal, an 11\*, between an equal weight of gold and silver, viz., 1 to 15½, the vendible price resulting at the time from the cost of extraction, and the abundance of the two metals, has varied during the last fifty years from 1 to 15½, to 1 to 16; that is to say, until the year 1849 the proportion has always been in favour of gold, which was received in commerce at a superior price to that which the law had assigned it in France. The premium then was the expression of this difference—thus, the twenty-franc pieces, soon after their issue, emigrated to foreign countries, attracted by the profit derived from remitting them; there remained in the country only the quantity capable of being exchanged against four pieces of five francs, plus five, ten, or twenty-five cents; to be purchased, in a word, by persons having need of money more portable than the crowns, more certainly and more generally realisable than bank-notes. Silver almost solely subserved for the purposes of the circulation, for it has been estimated, that of 1,200 millions (francs), the value of the gold pieces struck in France from the overthrow of the monarchy, in 1792, to the discovery of California, there remained only about 80,000,000 to 100,000,000; moreover, a part of this sum constituted the reserves, hoarded either from fear, or the habit of “*thesaurisation*,” by the population, so that the quantity actually in circulation was probably considerably under the amount indicated.

Some, in their hostility to a golden standard, have even ventured to assert, that the law of 7 Germinal, an 11\*, constitutive of the French monetary system, bestows upon a creditor the right of insisting upon payment in silver. Such an interpretation, however, has been demonstrated to be erroneous. The law of an 11\*, it is true, declares the franc the monetary unit, and that it shall contain five grammes of silver  $\frac{9}{10}$  fine, but, at the same time, it provides for the fabrication of gold twenty and forty franc pieces, and determines their relative weight and fineness. A new law may, indeed, change the monetary unit, or the relation of gold and silver thus established; but no creditor of an obligation expressed in francs can refuse an offer of payment made by a debtor in legal money, whether gold or silver, at his own pleasure.

Opposed to this view of the question are other and equally eminent economists, who, entertaining an opinion that the precious metals rise and fall in value together, and deprecating the losses and complications which the adoption of such a measure would entail in the international relations of France with England and the United States, in addition to the perturbation inflicted upon the monetary system of the country, are further disposed to question the truth of the proposition that silver, if adopted exclusively as legal money, would, notwithstanding its production, appear more limited than that of gold—better fulfil the conditions of a fixed and constant measure of value. Money, they say, is a “unit,” composed of two parts; when the quantity of one increases, the whole shares in nearly an equal degree in the increase; if the supply of the whole, thus augmented, exceed the demand in the market, the whole would be alike depreciated.

The solidarity of the price between gold and silver is not peculiar to this description of merchandise. It exists in different degrees for all those which, by their analogy, are of a nature to be substituted one for the other. Wheat for example, by relation to other corn, when at a famine price, causes a rise in barley, rye, and oats, &c.; if abundant, it falls, and occasions a corresponding fall in the same grains. Coal also reacts upon charcoal, and

cotton cloth upon linen and other materials. This theory has met with an able exponent in M. Lanjuinais (ancien ministre), whose recent essay entitled "*Nouvelles Recherches sur le Question de l'Or*," has furnished the substance of the following remarks.

The value of money is essentially "mobile" and variable. Gold and silver serve as media of exchange in virtue of certain particular properties. These, which are everywhere the same, consist (1) in their *uniformity of value*—this, although not absolutely invariable, is more so than that of any other known commodities.—(2) *Uniformity in quality*—none others are so homogeneous, the physical qualities of pure gold and silver being, at all times, and in all places, identical.—(3) *Divisibility*—a primary requisite; gold in malleability and ductility exceeding all other metals.—(4) *Portability*, uniting great value with small bulk.—(5) *Durability*—the repeated manipulations to which all money is necessarily subjected, affect them but in an insensible degree: and, lastly, their exemption from being easily counterfeited. These properties, however, must be regarded as accessories only. The fundamental quality of the metals consists in their possessing a proper value, and offering a real and substantial equivalent for the objects against which they are exchanged. Gold and silver are, in fact, merchandise, and their value, ruled by the ordinary laws of supply and demand, is subject to alternate rise and fall. In becoming money—i. e., in receiving the stamp and denomination fixed by law—they do not escape these conditions. Gold and silver, employed as money, cannot, therefore, be termed, in the strict sense of the word, measures of value of the objects which are bought and sold. The gramme and metre are measures of weight and length, because they express immutable quantities. A franc composed of five grammes\* of silver,  $\frac{1000}{1930}$  fine, does not always represent the same quantity of the same coin, or the value of the same weight of silver of  $\frac{1000}{1930}$  fine uncoined: materially, it is immutable; commercially, it is subject to all the oscillations of the market price of the metal. The monetary denomination, however, being constant, the variation in the value of the coin is expressed by the elevation or abatement of the price of the objects in exchange for which it is given. Every means has been exhausted to obtain for money a fixed value, and one, consequently, independent of and different from that of the market. The attempt, however, has proved unsuccessful; and it is now universally agreed, that to seek a money of fixed value is equivalent to seeking the quadrature of the circle.

Platinum enjoys perhaps, in the highest degree, the requisite monetary properties. There exists of this metal only two known veins, in the Oural, and at Choco, in New Grenada; and geology is unable to indicate any ulterior important deposits. From the year 1828 to 1845, the Russian Government issued a money in this metal, of which the total, in seventeen years, amounted to about £800,000 sterling; but, in consequence of the *employées* charged with refining profiting by the obscurity of the operation, and carrying the per centage to 60 only, instead of 75, the metal, thus deteriorated, fell in price in London and Paris, from 1,100 to 800 francs. The Russian Government, ignorant of the cause, immediately demonetised the platinum.

Money is, then, a merchandise, and in the origin of society was bought and sold exclusively by weight—this custom is still in existence in China and some other countries (in Spanish America, for instance, the ounce of gold is still in use). But, although money is thus endowed with a value variable, like all other kinds of merchandise, gold and silver do not vary in an equal degree, the value of the one may be maintained whilst that of the other decreases: it is desirable therefore to select for legal money the one of the two metals of which the value is most fixed and constant.

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\* Four and a half grammes of fine silver, or five grammes of silver,  $\frac{1000}{1930}$  fine.

According to Xenophon, the proportion of gold to silver was in his time as 1 to 10; Herodotus states it as 1 to 13. Some centuries later, in the time of Cæsar, it descended to 1 to 9; subsequently, however, it rose again to 1 to 11 and 12; and in the fourth century, according to a law of Valentinian, it stood at 1 to 14; and later, from the laws of Honorius and Theodosius the younger, it appears to have reached 1 to 18.\* It is to be remarked that the fluctuations in the price of gold and silver have been more considerable in times of antiquity, than subsequent to the discovery of America; these variations, moreover, have been alternate, sometimes in favour of one, and sometimes of the other metal; and further it was at the period of the greatest of these changes, under the reign of Julius Cæsar that the Roman monetary unit was for the first time struck in gold. It is estimated that from the 9th to the 16th century, *i.e.*, from the time of Charlemagne to the arrival in Europe of the precious metals of the New World, the proportion of gold to silver varied from 1 to 12 to 1 to 10; the variations being alternate. During the last two centuries the best authorities state it to have been from 1 to 14 and 1 to 16; for a moment, indeed, the wars of the French empire, and more recently the revolution of 1848 elevated it to 1 to 16½? At present it rules at about 1 to 15½. In the second place it is known that since the discovery of America to the year 1848, the production of the precious metals in that country has amounted to £1,485,000,000 sterling,† of which the proportion of gold to silver has been as 1 to 33; but the relative price of these metals, in the same time, which was as 1 to 13 or 14 has only advanced to 1 to 15½, whilst it should have risen to 1 to 33, if the relation of the values depended on the quantity produced. Again 10 years before the Californian discoveries, the annual production of gold had more than doubled from the workings of the mines in the Oural and the Altai, nevertheless the price of gold continued to augment. The solution of this apparent anomaly is to be found, as before stated, in the fact, that the precious metals rise and fall in value together. Since the discovery of America, the value of money has fallen from 6 to 1; this is true, as well of gold as of silver, notwithstanding the rarity of the first, and abundance of the latter metal. Here the fall in the value of silver brought with it a fall in that of gold; as in our days, if the production of gold should exceed the demand, the fall in the value of that metal would lead to a corresponding fall in silver also. In considering the spontaneous movement of these two metals, it will be seen that money is everywhere affected in its double form. England and the United States give the preference to gold, nevertheless silver is retained in those countries as a secondary money, and ingots of that metal constantly bought and sold in order to discharge their foreign obligations. Holland and Belgium, on the other hand, who have demonetised their gold, continue unceasingly to borrow it. It is even probable that if a universal determination were arrived at to demonetise gold, that metal would still continue to play an important part in the circulation of the world, on account of the qualities peculiar to it, and which will always obtain for it a commercial superiority over silver.

At the present moment, indeed, it is a question whether silver possesses that stability of value so generally attributed to it.‡ The annual production of this metal is near £8,000,000 sterling, and probable improvements in mining operations, and the introduction of more economical processes in the

\* *Economie Politique des Romaines*, by Dureau de la Malle.

† M. Chevalier, *De la Monnaie*.

‡ Last year it was at a premium, which, at one time, rose to thirty-six francs per mille; it subsequently declined in Paris to thirteen and fifteen francs, and, in May last, gold commanded a premium in London and Marseilles.

treatment of silver ore, might possibly elevate it to the level of that of gold. Its production under favourable circumstances is, in fact, illimitable. Humboldt, writing forty years since, says, "There is enough silver in the mines of New Spain to inundate the world." M. St. Clair Duport, who has visited the mines of Mexico, pronounces them to be inexhaustible, and states that the veins worked during the last three centuries are nothing to those which remain to be explored.\* A production, therefore, comparable even to that of gold may be realised, whenever the mines may pass from their present possessors into the hands of a more enterprising and civilised people. This period is probably not so remote, since the Americans have already conquered one-half of Mexico, and constructed a railroad over the isthmus of Panama. One fact, however, is important, viz., that the production of silver is annually increasing, whilst the cost of its production continues to diminish. Under these circumstances, there appears little probability that gold, in the course of ten years, will decline 50 per cent., and silver preserve nearly its integral value, as asserted by M. Michel Chevalier, in an article published in the *Journal des Débats*, of 4th May, 1855.

The demonetisation of gold, moreover, would occasion a perturbation proportionate to the amount and importance of the gold money at present in circulation. Since the year 1848, there has been struck in France upwards of £52,000,000 sterling of gold coins; and, supposing that from £8,000,000 to £12,000,000 have been exported for the requirements of commerce, there would remain about £40,000,000 in the country. If this mass of gold were demonetised, Government would be under the necessity of replacing it immediately by silver pieces at par. A sudden demand for £40,000,000 in silver ingots, at a period when the annual production does not exceed £8,000,000, would raise the premium not only to thirty-six, but in all probability to one hundred francs per mille. In this case, the operation would cost the State no less than £4,000,000 sterling, to which must also be added the expense of refining, commission, &c. Besides these direct losses, there must further be taken into account the temporary perturbation of all commercial prices by the effect of the premium, which such a measure would inevitably produce. The operation of Holland was carried only to 80,000,000 florins, or about £3,250,000 sterling, and although facilitated by methods of execution of which the success would be less assured in France, the great marts of commerce were sensibly affected thereby. In 1846, too, it must be remembered, the importation of corn into France occasioned the export of about £5,000,000 sterling, and notwithstanding, this trifling displacement was productive of an immense amount of inconvenience in the country. France, reduced to a silver currency, would suffer in its monetary isolation in its vast international relations with England and the United States,† and the export commerce of the country would sustain an irreparable injury.

Why then change? Silver, it is said, will be exported, and gold substituted in its place: but whence arises the danger or inconvenience, if the gold money cannot become depreciated without the silver also! Silver, when it leaves the country, carries with it a premium, and consequently purchases more foreign merchandize, than the corresponding sum in gold would be able to do; when gold is imported, on the contrary the French merchant exacts a higher price for his wares.

Differing from both of the foregoing, is a third class of politicians, who maintain that the true remedy for such a state of things is to be found not

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\* *De la Production des Métaux Précieux.*

† Gold and silver money are both legal tender in the United States, but the relation of the two metals being favourable to gold, has caused the exportation of the greater part of the silver coin.



in the demonetisation of gold, but that of silver:—such a measure it must be confessed is already in course of operation; and believing it essential to be prepared before hand for the change with which the monetary system is threatened, they urge the Government to anticipate a result which must shortly be effected without its assistance; and by a legislative enactment, to proclaim a single metal standard of gold, and to reduce the silver to a condition of mere subordinate or subsidiary money, or change. The latter money would thenceforth occupy the same position in relation to gold, that copper occupies in relation to itself, and would exist only in multiples or fractions of a franc not exceeding two francs in value: by this means, the system would be placed in accord with that of the two great commercial nations, England and the United States. It would suffice for this purpose to augment the issue of gold pieces of ten and five francs, seizing the moment when the exportation of silver, accelerated by the issue of new money, may have considerably reduced the amount of that coin in the market.

An alloy sufficient to render the intrinsic value of the silver coins very slightly inferior their legal worth would then prevent further exportation, and the *écart* between the two metals would become greater than it is at present. But such a measure, however desirable in a theoretical point of view, ought not to be precipitated. The silver five-franc pieces occupy too important a place in the circulation, to be suddenly withdrawn from it:—judiciously conducted, the substitution of gold for silver money might prevent a future new displacement, which, occurring perhaps at a moment when the neighbouring countries were saturated with the precious metals, would not not be effected so favourably as at present.

#### FAILURE OF MESSRS. C. J. MARE AND CO.

THE suspension of this firm was noticed in the *Bankers' Magazine* of last month, since which period, the following proceedings have occurred, in reference to the administration of the Estate.

A very numerous meeting of the creditors of Messrs. C. J. Mare and Co. took place on the 27th September, at the Guildhall Coffee-house, Mr. Lea, the official assignee under the bankruptcy, presiding, to concert measures for carrying on the works until further definitive proceedings can be adopted. It was intimated that the meeting had been called with the sanction of Mr. Commissioner Holroyd, and that Mr. Mare himself is desirous of using every endeavour to obtain an equitable adjustment for the benefit of all who are interested in his estate. Mr. Lawrance, the solicitor to the petition, explained at length the preliminary steps taken for placing the affairs of Mr. Mare under the operation of the Private Arrangement Act, which it was at first thought would have proved available, but difficulty subsequently intervened, and it was found necessary to resort to an absolute bankruptcy. The chief impediment was a creditor for £9,000 or £10,000, who, having placed an execution in the works at Blackwall, refused to withdraw, unless upon immediate payment; and as this creditor was proceeding to sell, through the sheriff, it was considered advisable not to allow a sacrifice of probably £20,000 or £30,000 to meet the claim, but to take the course that had been adopted. There was also an *extent*, at the suit of the Crown, in Mr. Mare's private residence, for £3,000, being the amount of a bill for timber from the Royal Forest, but this, under any circumstances, would have to be paid in full, to save the property upon which it was levied, the Crown taking precedence in such cases. The execution upon the works at Black-

wall, had it been proceeded with, would not only have sacrificed the proportion of machinery, &c., sold to realise it, but the works would have been stopped, and the whole of the numerous hands thrown out of employment. The adjudication of bankruptcy, with Mr. Mare's consent, having taken place, the first necessary arrangement was the payment of wages, and this was accomplished through the personal exertions of the official assignee, the directors of the Commercial Bank consenting to supply the requisite funds. Last week's wages having been paid, the question of the continuance of the works under the bankruptcy was submitted to Mr. Commissioner Holroyd, who, with a mercantile appreciation of the emergency, consented to the attempt being made, on condition that the creditors should meanwhile be consulted on the question. This result having been arrived at, the directors of the Commercial Bank consented to place to the credit of the official assignee £10,000, to meet the early expenditure, and to be repaid out of the first assets received. The position of the matter stands thus:—The effect of the adjudication has been to displace the execution of the creditor, whose debt, though *bona fide*, it is contended was not better entitled to a preferential settlement than others, and the works remain uninterrupted. The official assignee possesses sufficient to discharge £5,000 or £6,000 due next Saturday, and there will then be enough to liquidate the *extent* from the Crown, so as to avert the loss from a forced sale of the property in Hyde Park-gardens. Assurances having been given of a supply of coal, wood, and rope, every prospect exists of assets being received to keep the general establishment in operation; but, if they do not come in, it is thought other resources are open for assistance. Under these circumstances, it was proposed to appoint a committee of creditors, to advise with the official assignee, in his endeavours to carry on the works until the choice of assignees; thus affording an opportunity for looking into the nature of the various contracts and expenditures, and ascertaining the actual position of this extensive undertaking.

An approximate statement of affairs was then brought forward by Mr. Ball, of the firm of Quilter, Ball, and Co., the accountants; but it was mentioned that, having been prepared only on a short notice, it could not be considered to represent accurately the position of the estate. It showed the liabilities to be £156,400, and the assets £186,000, leaving an estimated surplus of £29,600. Mr. Mare, however, considers his establishment at Blackwall to have been inadequately valued, and he increases the amount by £75,000, making a total surplus of above £100,000. Some discussion ensued, with respect to the various items, and one in connection with an establishment at Newmarket, elicited the reply that it has entirely passed out of Mr. Mare's hands. In referring to a resolution for the appointment of a committee, Mr. Lawrance stated that several instances had occurred in which creditors had been beneficially protected by the works of embarrassed firms being carried on under bankruptcy, and he specially alluded to the parties identified with the manufacture of wire rope, in which the original patentee, after paying his creditors 20s. in the pound, was enabled advantageously to dispose of his interest. The whole of the explanations were favourably received, and Mr. Lawrance volunteered any further information, either on behalf of the official assignee or of Mr. Mare, who himself was present. Mr. Murray, with one or two other professional persons who represented claimants, having concurred in the desirableness of the course proposed, a committee of five creditors was appointed, including Mr. P. Rolt, who, possessing both a family and pecuniary interest in the estate, pledged himself to protect the interests of the general creditors. The following are the approximate statement and the resolution comprising the names of the committee:—

## C. J. MARE.

*Approximate Statement of Affairs, Sept. 20, 1855.*

<i>Dr.</i> —To creditors unsecured	...	...	...	£115,000	0	0	
To creditors partially secured—amount of claims	...	...	...	£179,361	0	0	
Less—estimated value of securities	...	...	...	137,900	0	0	
					41,461	0	0
To creditors fully secured—estimated value of securities	...	...	...	115,746	0	0	
Less—amount of claims	...	...	...	103,156	0	0	
					156,461	0	0
Surplus, taken as an asset, per contra				12,590	0	0	
<i>Cr.</i> —By stock at Blackwall	...	...	...	£66,000	0	0	
Less <i>extent</i>	...	...	...	3,000	0	0	
					63,000	0	0
By Great Western steam ships—cost of construction	...	...	...	21,500	0	0	
Value of engines	...	...	...	17,500	0	0	
Proportion of expenses	...	...	...	3,900	0	0	
				42,900	0	0	
Liens thereon	...	...	...	33,000	0	0	
					9,900	0	0
By Westminster-bridge works — amount expended in plant, wages, and materials	...	...	...	87,000	0	0	
Less received on account	...	...	...	50,000	0	0	
					37,000	0	0
By Saltash-bridge works, sundry debtors, quarterly accounts	...	...	...	...	5,000	0	0
Works in progress—estimated amount due	...	...	...	...	12,000	0	0
Surplus securities in hands of creditors, per contra	...	...	...	...	12,590	0	0
Estimated profit to be received on the completion of unfinished contracts	...	...	...	...	46,600	0	0
					£186,090	0	0

*Memorandum.*

The liabilities, after deducting assets at certain estimated values, amount to ... ..	£156,461	0	0
The assets, according to the statement, which is based upon rough estimates of immediate value, amount to ...	186,090	0	0
Mr. Mare considers that the Blackwall property, consisting of the freeholds, leaseholds, fixed machinery, and plant, having cost £225,000, is greatly under-estimated in the statement, and that a deduction of £50,000 is ample to cover all possible deterioration, which enlarged estimate would effect an increase in the assets of ... ..	75,000	0	0
	£261,090	0	0

"Resolved—That a committee of five creditors be appointed, to confer and advise with the official assignee, on the affairs of this estate, during the interval before the choice of assignees, under the adjudication of bankruptcy, appointed to take place on the 12th of October next. That the following gentlemen be appointed to act as the foregoing committee:—Mr. Peter Bolt, Mr. Jones, Mr. Cory, Mr. Marshall, and Mr. Hunter."

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#### FAILURE OF MESSRS. DE LISLE, JANVRIN, AND DE LISLE.

THE suspension of this old-established firm was made public on the 3rd of October, and it excited very general regret. Occupying a high position as bankers and merchants, the event was little anticipated, but there is yet reason to believe that the interest of the creditors will be protected. Imprudent advances to a house in Quebec whose affairs have become involved necessitated this step, although the assets at the command of Messrs. De Lisle and Co. would, had they been so disposed, have enabled them to continue business without immediately sacrificing their credit. Such conduct bears a strong contrast with that displayed in other cases of banking and mercantile misfortune recently brought under consideration, and tends in a measure to relieve the financial and commercial community from the severe reprehension which they have lately encountered. The facts connected with this disaster are thus recorded in the *Times* :—

The suspension was announced this morning of Messrs. De Lisle, Janvrin, and De Lisle, foreign merchants and bankers, with liabilities for £400,000. The house was among the oldest and most respectable in London, and it is believed, apparently on better grounds than are usual on such occasions, that the liquidation will not prove disastrous. The circumstances under which the stoppage was resolved upon appear to harmonize with the reputation for honour the house have uniformly enjoyed. It appears that they had a large balance at their banker's, as well as money at call in the hands of discount brokers, and in other available quarters, to the extent of about £100,000; but that, being involved in large advances in Canada, which assumed a more serious complexion yesterday on the arrival of the American mail, they determined at once to suspend, instead of risking the property of their creditors by any uncertain attempt to sustain themselves. The amount in question will therefore be almost immediately available for a dividend, while, with regard to the general assets, the statement is that, with the exception of the securities from Canada, they are of a favourable description, and will admit of a further considerable sum being realised during the present year. Many years back the firm were largely engaged in trade with Buenos Ayres, but their business was of a general description, and latterly they had become connected with an extensive firm at Quebec, who were involved in the American panic of 1837, and who again found themselves in difficulties at the commencement of the pressure in New York and Canada about two years ago. On that occasion their debt to De Lisle and Co. was enormously heavy, and was compromised upon conditions which have not been fulfilled. The amount now remaining due under the compromise, coupled with fresh advances which De Lisle and Co. were induced to make by delusive representations, is understood to be equal to £200,000. The prospects from this source are most likely very doubtful, and it is upon the other assets only that reliance must be placed. Of Messrs.

De Lisle's liabilities of £400,000, a portion is said to consist of acceptances for account of parties ultimately responsible, and who will meet them at maturity. In this way it is expected the total will be considerably reduced, and the prospects of the direct creditors proportionably improved.

Messrs. De Lisle and Co. were also connected with the trade of Guernsey and Jersey, and were the correspondents of some of the principal banks in those islands—namely, the Guernsey Banking Company, the Guernsey Commercial Banking Company, the Jersey Commercial Bank (Janvrin and Co.), and the Jersey Old Bank (Godfray, Sons, and Co.). Messrs. Hankey and Co., the London bankers, will interfere for all these institutions, and honour the draughts drawn by them on Messrs. De Lisle and Co.

Annexed is the circular intimating the suspension:—

“16, Devonshire-square, Oct. 3.

“It is with feelings of deep regret that we have deemed it necessary this day to suspend our payments. Large advances in Canada, and disappointments in receiving remittances, have led to this painful determination, and we feel convinced that by taking this course we shall best protect the interest of our creditors.

We beg to assure those friends who have placed securities in our hands that they all remain intact, and are held at the disposal of the parties interested.

We shall request a meeting of our creditors in a few days, of which you will be duly informed; and, relying upon your sympathy and forbearance under these painful circumstances,

We are, respectfully, your obedient humble servants,

DE LISLE, JANVRIN, AND DE LISLE.”

#### FIRST MEETING OF CREDITORS.

A meeting of the creditors of Messrs. De Lisle, Janvrin, and De Lisle, who suspended payment on the 3rd October, was held on the 8th October, Mr. B. Dobree presiding. It was intimated that the proceedings were of a preliminary character, with the view of obtaining temporary forbearance on the part of the creditors, until some suggestions made by the friends of the house can be presented in a definite shape. Two proposals have been thought of, and the course ultimately to be followed will be left to the decision of the creditors. The first is the introduction of capital, if possible, through the assistance of friends, the payment of 20s. in the pound, and the immediate resumption of business. In the event of this plan failing, the next will be a liquidation of the estate under inspection, and the distribution of the assets as they may be received. If the process of inspection be carried out, a new firm will be then formed to take up the connection, which is valuable, and can, without difficulty, be kept together. In this state of affairs an adjournment was moved until Saturday, when it is expected a final arrangement may be come to. Meanwhile the funds of the house are stated to be in perfect safety. There were no figures in relation to its liabilities or assets presented on this occasion, but it was mentioned that they are in an advanced state, and will be brought forward at the earliest moment. The proposal for an adjournment having met the unanimous approval of the creditors, a substantive motion to that effect was passed. On behalf of the Bank of British North America (represented by Mr. Gillespie and Mr. Brooking) it was announced that the directors have communicated with the agents in London of the Montreal and other banks connected with the dependencies of the Canadian firm in which Messrs. De Lisle are interested, and that instructions have been despatched abroad to ascertain that the securities are all in order, and that the rights of all parties are properly preserved.

THE ADJOURNED MEETING.

The adjourned meeting of the creditors of Messrs. De Lisle, Janvrin, and De Lisle, bankers and merchants, who suspended on the 3rd of October, was held on the 13th of October, Mr. B. Dobree presiding, when the following statement was submitted by Mr. Coleman, the accountant:—

“ LIABILITIES.

To creditors on open accounts	...	...	...	£198,500
Creditors on account, after giving them credit for our acceptances, which they will retire	...	...	...	65,600
The amount of drafts upon us at the date of suspension	...	...	...	£302,000
Of which there were for account of other parties who will retire same, or for which credit has been given in the preceding item	...	...	182,000	
Amount expected to rank on our estate	...	...	...	120,000
				<u>£384,100</u>

Salaries, rent-charges, and sundry small accounts, to be paid in

full ... .. £1,800

Beyond this, Mr. W. F. De Lisle, acting as our attorney in Canada, has guaranteed cargo bills, but which bills we expect will be duly met by the acceptors for whom such cargoes were shipped.

He has also guaranteed the payment of local liabilities in Canada, for account of Messrs. Le Mesurier, Tilstone, and Co., and John Egan and Co., the exact particulars and amounts of which we are unable to state, but against which we were informed that there was a larger value in timber to cover the amount of such guarantees.

ASSETS.

By cash balances at the banker's	...	...	...	£14,500
Cash at call	...	...	...	57,300
				<u>£71,800</u>
Bills receivable	...	...	...	79,700
Bonds, stock, and shares, estimated to produce	...	...	...	12,500
Sundry debtors, estimated to produce	...	...	...	51,000
				<u>£215,000</u>

Amount of cash debt due from Le Mesurier, Tilstone, and Co. ... .. £308,480

Amount of acceptances included in our liabilities as per contra ... .. 111,650

£420,136

Against the above, we hold the assignment of a debt due from John Egan and Co. to Le Mesurier, Tilstone, and Co. of £109,650, secured in part by a charge on large plots of land, mills, and timber at Aylmer, in Lower Canada. Also a charge upon all the lands and properties of Messrs. Le Mesurier, Tilstone, and Co., in Lower Canada.”

It was explained by the chairman that, since the last meeting, the friends of the firm have taken into consideration their position, and that, upon mature reflection, looking at the extent of the Canadian dependencies, it is deemed advisable to recommend a liquidation under inspection. While it is proposed to distribute the assets with all possible expedition, it is felt that the partners should be allowed to carry on business, their character and credit remaining unimpeached. A dividend of 5s. in the pound has been

immediately declared, a further distribution is anticipated about January next, and the whole of the £215,000 assets may, it is thought, be realized within six to eight months of the present period. With regard to the large claim upon Messrs. Le Mesurier, Tiltstone, and Co., it was stated that every endeavour will be made to place it in process of conversion, but that it is impossible, in the existing position of affairs, to estimate the probable return. An attempt was made by Mr. H. Godfray, of Jersey, to obtain a further adjournment, with the view of affording the creditors an opportunity for investigating the actual condition of the accounts, but representations from Mr. Hankey, Mr. Lavie, and others, respecting the impolicy of this course, induced the withdrawal of an amendment, and the annexed resolutions were unanimously agreed to. Mr. Brooking, as representing the Bank of British North America, intimated that every care will be taken to protect the interest of the estate in connection with the Canadian dependencies. In the course of the proceedings, sympathy was expressed for the position of the partners, whose future career, it is hoped, will be successful.

"At a meeting of the creditors of Messrs. De Lisle, Janvrin, and De Lisle, at their counting-house, Devonshire-square, on Saturday, the 13th of October, 1855, Mr. B. Dobree in the chair, a statement of the liabilities and assets was read. It was proposed and seconded, and resolved:—

First, that it is the opinion of the meeting that the affairs of the house should be liquidated under inspectorship, and that the following gentlemen be the inspectors:—Mr. T. H. Brooking, Mr. Bonamy Dobree, Mr. D. Meinhertzhagen, and Mr. J. Whateley.

Secondly, that a dividend of 5s. in the pound be at once declared, and be payable on and after Saturday, the 27th of October.

Thirdly, that a proper deed of inspectorship be prepared under the approval of the inspectors, and be executed by and on behalf of each creditor, on or before payment of the dividend.

Fourthly, that such deeds shall contain covenants by the partners, to liquidate the affairs of the house, according to the rules of administration adopted in bankruptcy, and covenants by the creditors not to sue, which shall operate as a release upon the inspectors, certifying that the liquidation has proceeded sufficiently, and upon the partners executing an assignment of any remaining assets to trustees for distribution among the creditors.

Fifthly, that such deed shall be a deed of arrangement within the meaning of the 224th section of the Bankrupt Law Consolidation Act, and the 228th section shall be applicable thereto.

Sixthly, that the inspectors shall have power to make the partners such allowances as they may think fit for their services.

Seventhly, that the partners be at liberty to transact business on their own account on their covenanting, in the inspectorship deed, not to use, either directly or indirectly, any of the existing assets of the firm, and to incur no new engagements which could, by any possibility, be thrown on the existing assets."

With regard to this suspension, the *Spectator* thus remarks:—

There is something almost old-fashioned in the address of Messrs. De Lisle, Janvrin, and De Lisle to their creditors. Few stoppages at the first blush created so deep an impression as this. The firm is so respectable; it had been so constantly on the lender side, and was so utterly unknown as borrower. Here genuine credit was at stake, and a certain alarm, mingled with the sympathy, as if now something had happened, which is real disaster. The address is couched in terms of great simplicity.

"16, Devonshire-square.

"It is with feelings of deep regret that we have deemed it necessary this

day to suspend our payments. Large advances in Canada, and disappointments in receiving remittances, have led to to this painful determination, and we feel convinced, that, by taking this course, we shall best protect the interest of our creditors.

*We beg to assure those friends who have placed securities in our hands that they all remain intact, and are held at the disposal of the parties interested.*

We shall request a meeting of our creditors, in a few days, of which you will be duly informed; and, relying upon your sympathy and forbearance under these painful circumstances,

We are, respectfully,

Your obedient humble servants,

DE LISLE, JANVRIN, AND DE LISLE."

The disaster, indeed, is of a kind to counteract rather than to aggravate the effect produced by recent failures. It is nothing new to discover that the greatest attention to business, that the keenest sagacity, cannot obviate every turn of luck; for, if men could comprehend all the causes leading to future results, there would be no such thing as chance in trade; the firm possessing that superhuman knowledge would be endowed with superhuman power, and might command the world. The bad character of recent failures has not consisted even in laxity upon this point. It is that British merchants have been found to differ altogether from the character of British merchants, and to emulate a different class—British misdemaneants of various kinds. In most cases, too, the failure has not been brought about by a disappointment of funds in the usual commercial track, but by an inordinate personal expenditure unconnected with the business. In many cases, the firm in the city is quite sound, but it is the establishment at Newmarket that devours the proceeds; and funds raised by way of accommodation to carry on a substantial business have sometimes found their way to liquidate debts of honour on the turf. This is the really alarming kind of disclosure that ought to have an effect on the countenance and the confidence of the City; not the discovery that a most respectable firm has mistaken its calculations respecting the probity or the ability of correspondents in a distant colony. We have marked one passage in italics. It is creditable to Messrs. De Lisle and Co. that they can give the assurance that they hold the securities of other persons intact; but what a reflection upon the state of commercial morality, now becoming fashionable in the City, that it should be necessary to make it!

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#### THE "TIMES" ON THE DRAIN OF SPECIE.

THE facts just confirmed regarding the artificial operations of the Bank of France in drawing gold from this side furnish a remarkable confirmation not only of the views lately expressed, but of the soundness of those put forth a month back, when the Bank of England first raised their rate of discount. It was then stated that, although a moderate advance in the value of money was inevitable, and there could be no prospect of its being otherwise than in active demand throughout the remainder of the year, there was nothing in a general survey of the trade of the country to suggest that any repeated movements on the part of the Bank would be found necessary. Subsequently it became known that the Government had arranged that the proceeds of the Turkish loan should be remitted to Constantinople in specie, instead of being managed, as usual, by Exchange transactions; while, at the



same time, notwithstanding reiterated statements regarding the excellence of the American harvest, £300,000 or £400,000, was suddenly remitted to Vienna for purchases on the Danube, owing to a continued improvement in the grain-market, the unfounded nature of which has since been demonstrated by a reaction of 4s. per quarter. Even these circumstances, however, although calculated temporarily to modify previous expectations, were insufficient to account for the drain which had set in, apparently with uncontrollable force. The Bank of England, the private and joint-stock banks, the discount houses, and the mercantile community generally, were alike perplexed, and a multitude of theories were put forth to account for their confusion—one of which was what they had all been misled by the *Times*, while another comprised the idea that Russia had been secretly borrowing. All that was positively known was, that gold continued to go to Paris whether the rate of exchange rendered it profitable or otherwise. It was then declared that, in consequence of the war, the country was carrying on a much more one-sided trade than had been apprehended, and that the result which ought long ago to have been foreseen had now rendered itself palpable. It was vain to urge that, as the war had been raging for a year and a half, its effects were hardly to be looked for in a sudden crash spread over a few weeks, and that, in addition to the grain purchases and the Turkish loan, there must still be some accidental or exceptional solution for the symptoms in progress. Such a mode of evasion was not to be tolerated, and the speculators for a fall were triumphant.

At length the operations of the Bank of France gradually became known. In order to prevent the necessity for resorting to an advance on the rate of discount, they had been purchasing gold at a price above its natural value, and a temporary stimulus was thus being afforded to the financial affairs of that country. The amounts were said to be large, but, nevertheless, surprise was felt when it was announced that they were expected to reach £1,600,000. At last the total has been found to be £4,000,000, and the solution of all the previous mystery is more than ample. Indeed, the marvel is that with such an operation in progress the disturbance has not been greater. The real difficulty, therefore, is not to account for what has been witnessed, but for its moderation.

Under these circumstances, a new glance at our position becomes practicable, and is the more desirable, because, in addition to those acting upon ordinary speculative motives, there are at the present conjuncture other parties strongly engaged in exciting distrust—namely, the Greek sympathizers with Russia, who constitute a large and active class both in London and Liverpool; and the section of English politicians with Austrian views who hope to see their predictions fulfilled, that the war would ultimately become so unpopular as to cause peace to be accepted on any terms. It is not enough that the alarming features of the present drain have now been removed by the discovery of one of its principal causes. At every future opportunity the attempt to create a panic will be repeated. It was tried in March, 1854, when

Consols went down to 85½, and, although it has twice failed, the result may some day be different.

The question whether the war expenditure is beyond the means of the country must, therefore, be boldly met. If it be upon a scale to involve a permanent drain of gold, there is no alternative but to lower it, or to prepare ourselves for that mitigated form of national bankruptcy which consists in a suspension of specie payments. Happily, the capture of Sebastopol puts it into our power to limit or extend our operations at pleasure. While that remained to be effected, there was no choice but to go on, even if the yearly sacrifice were measured by hundreds of millions. But, apart from all considerations of this sort, the necessity for its diminution will prove, upon inquiry, to be at present without proof. The view originally taken against the alarmists has not yet been set aside. It was that the stop which would be given by war to the wild expenditure in foreign enterprises or loans, which always takes place in times of prosperity, might probably more than counteract all the loss to be encountered in our new form of outlay—an impression so far strengthened by the way in which money was about to be drawn from us under the new system of guarantees by foreign Governments or corporations, as to render it actually a point for consideration whether we should not be indebted to Russia for saving us from a new commercial crisis. These modes of absorbing our surplus means being, for the most part, arrested, the question simply is, whether the annual profits of the country from its trade, which the enemy cannot disturb, are sufficient to meet the sum to be sunk in materials of destruction, and in the pay of those who, diverted from reproductive labour, are employed in connection with them. Although the outlay of fifty or eighty millions has a serious sound, even when compared with our enormous commercial gains, it must be borne in mind that there is a very large portion of this which is not lost to the nation in any shape. Thus, one of the heaviest items has been the chartering of steamers, the profits of which have gone to private individuals or public companies, while the immediate commercial loss has been small, owing to the nation contenting itself meanwhile with an economical system of mail service. In like manner, all the heavy profits of contractors, together with the additional wages earned by men who, but for Government employ, might be out of work, the extra transport on railways, and a multitude of other things, must be deducted, until we arrive at the mere net cost of the produce imported for the manufacture of war materials, the cost of working them up, and the direct pay and sustenance of the forces; and even these are liable to a set-off, since the producing countries become better customers to us in consequence, and much of the pay of the forces finds its way back to their families. We must also estimate that the expenditure of our enemy is heavy; that it takes place in gold; and that we share, to a very considerable extent, although indirectly, the advantages of the purchases he is compelled to make from Western Europe.

Hence there is inherent reason to avoid any hasty assumption that the war is too much for our mercantile strength, and experience has thus far supported theory. Through nearly two years we have been

unusually free from monetary disturbance, and, although our expenses were as heavy six months back as now, they did not prevent the bul-  
lion in the Bank from increasing from £12,162,495 on the 20th of January, to £18,918,575 on the 30th of June last, while at present it not only stands above the January limit, but is fully equal to the total held just after the war began. To adopt the conclusion that the drain of £3,000,000 during the past six weeks must be the result of the war, was, therefore, obviously premature. It was unsupported, indeed, by any casual circumstances, since the previous gold supply had apparently not been increased by any accidental occurrences, the Australian remittances having shown no fluctuations, while from California they had been below the amount upon which there is reason to calculate for the future. The expenditure of the population, moreover, has been equally uniform, and their importations, in fact, of late have been rather under than over their requirements.

It may, consequently, be repeated that, although the effects of the Turkish loan, and of the recent grain purchases, together with those of the unbroken demand for silver for India and China, the perplexities consequent upon the strange proceedings of the Bank of France, and the certainty of a new loan being required by the English Government in the spring, are all causes which must exercise for some time an adverse influence, our prospects are not only as sound as they were lately described to be, but that the convictions then entertained have received additional weight, from the fact of the unparalleled movements of the Bank having failed to produce a single sign of commercial uneasiness. That the ultimate effects of the war expenditure on the currency is a problem which time alone can solve, and that it calls for the utmost watchfulness on the part of the Government, is not to be denied. If ever it should present danger, the only remedy must be a reduction, since it cannot be touched by a constant advance in the rate of discount, which, in fact, would merely check the commerce that forms our best dependence. The premonitory indications, however, would be likely to be gradual, and, although, at Vienna, Berlin, and St. Petersburg, the highest congratulations have doubtless been current upon the disturbances of the past few weeks, and the causes assigned for them, there is full reason to hope that the financial vigour of the country under our system of free trade and a convertible currency, is equal to much greater trials than any to which it has yet been exposed.

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#### CIRCULATION OF FICTITIOUS WARRANTS.

THE great commercial frauds, perpetrated by Messrs. Davidson and Gordon, in connection with Joseph Windle Cole, by means of fictitious warrants, are still *sub judice*; and are not likely to be brought to a termination, probably, for another month or two. The case was brought before the Central Criminal Court, at the August session; but, contrary to general expectation, the trials for the frauds were not proceeded with, the counsel for the prosecution, determining in the first

instance, to have the prisoners tried for not having surrendered under the fiat of bankruptcy issued against them, and which had rendered them subject to the punishment of transportation for life. The motives which induced such a course of proceeding have not been stated ; but, it is generally believed that had the trials for the frauds been first taken, the legal difficulties would not have been so great as they have now proved to be. It will be seen, from the annexed report, that the prisoner Gordon only was tried, and, although found guilty, several technical points of law were raised by his counsel, which are reserved for the consideration of the Judges hereafter. As the same objections would arise in Davidson's case, it was considered unnecessary to put him upon his trial till the points in Gordon's case had been disposed of. In order to preserve the narrative of these extraordinary proceedings, it has been considered expedient to give the trial at length, and the present opportunity of a double number allows us the space necessary for that purpose.

On the 23rd August, before Mr. Justice Erle, Daniel Mitchell Davidson, aged 41, and Cosmo William Gordon, 34, both described as merchants, were placed at the bar of the Central Criminal Court, to plead to several indictments charging them with obtaining various large sums of money by false pretences. Another prisoner, named Joseph Windle Cole, also described as a merchant, who is already under a sentence of penal servitude, upon a conviction arising out of some of the transactions in which the prisoners Gordon and Davidson are involved, was also placed at the bar.

There were four or five indictments against the two last-mentioned prisoners, the amounts mentioned as having been obtained by them being stated at £4,100, £2,400, £4,900, £7,000, and £17,000.

They were also charged under the Bankruptcy Act with felony, in not having surrendered to be examined at the Bankruptcy Court on the day fixed for that purpose by the commissioner.

There was likewise another indictment in which the prisoners Davidson and Gordon were charged jointly with Cole with conspiracy to obtain money by false pretences.

The prisoners pleaded "Not Guilty" to the whole of the charges.

Mr. Ballantine and Mr. Poland conducted the prosecution ; Mr. M. Chambers, Q.C., Mr. Clarkson, and Mr. Parry, were counsel for Gordon ; and Mr. Serjeant Byles and Mr. Bodkin appeared for Davidson. Mr. Edwin James, Q.C., and Mr. Vallings were also present, retained to watch the case on behalf of Messrs. Overend, Gurney, and Co.

It was arranged that the case first taken should be the charge against the prisoner Gordon for not having, after he was adjudged a bankrupt, surrendered to be examined on the day fixed by the Commissioner of Bankruptcy for his doing so, which by the Bankruptcy Act is made a felony, and renders the person convicted of the offence liable to be transported for life.

Mr. Ballantine, in opening the case for the prosecution, observed that it was one which must be regarded as of the utmost importance in a commercial community ; and there could be no doubt, from the position of the prisoner, the amount of his dealings, and his connection with houses of considerable reputation in the city of London, that the case had attracted a very large amount of public attention. The charge against the prisoner was framed under the 12th and 13th of Victoria, cap. 106, by the 251st section of which various matters were declared to be offences when committed by persons in the position of a bankrupt. The act provided that those offences must be committed with an intention to defraud, and the prisoner at the bar was arraigned for one of those offences—namely, for that, being a bankrupt, he did not surrender to the fiat of bankruptcy as it was his duty to do under certain rules which were laid down by the act of Parliament. In order to maintain the present charge, it was essential to show that in that

non-surrender the prisoner had been governed by fraudulent intentions; because he believed that the words "with intent to defraud" applied to all the previous part of the section. It would be the duty of the prosecution, therefore, to submit, 1st, that the prisoner did not surrender to his bankruptcy; and, 2ndly, that his non-surrender was intended for purposes of fraud. The name of the prisoner was *Cole*, William Gordon, and he was in partnership with one Daniel Mitchell Davidson. Somewhere about the year 1847, he believed both those persons were bankrupts. They recommenced business, however, again in 1848. With what amount of capital they did so he was unable to say; but the probability was, from the fact of their having been bankrupts so shortly before, that their capital was not very large. However, they did recommence business, and there could be no doubt but that for four years their dealings as colonial brokers and metal dealers were of a very extensive character indeed—so great, in fact, was the amount of business which they were transacting in the City of London, that it almost attracted attention from its largeness. This continued for some period; but he believed that towards the end of 1852, or the beginning of 1853, they changed altogether the character of their business, for they then became the purchasers, from a person named Webb, of a large distillery at West Ham, in Essex, and from that period they carried on that concern in addition to the business of general merchants and brokers. The jury were probably aware that in the city of London it was the habit to represent large quantities of goods which were in dock or elsewhere by warrants, in which a description of the goods was given. It appeared that the prisoner, in conjunction with his partner Davidson, and with Cole, who was intimately connected with them from 1853 down to the time of the bankruptcy, dealt very largely in such warrants, representing himself and partner to be the possessors of the property to which they referred. It happened that, in the most genuine transactions even, large advances were from time to time required before the goods came to hand or could be disposed of, and it was customary to advance sums of money upon the faith and credit of men who were possessed of these warrants; and the prisoner, enjoying at that time credit in the City of London, did, at different periods, obtain advances to a very large amount upon them. Among the establishments with which he became connected was a high mercantile house in the City, carrying on business under the name of Overend, Gurney, and Co. Mr. Gurney was, he believed, an old man, and took no active part in the business, which was principally carried on by Mr. Chapman, a gentleman of considerable knowledge and great ability. From time to time Messrs. Overend and Gurney made very large advances, and in October, 1853, the advances which they had made to Gordon on behalf of himself and partner amounted altogether to not much less than £200,000. In that month of October, Mr. Chapman became suspicious of the nature of his securities, and inquiries which he made upon the subject resolved his suspicions into absolute certainty. He sent for Gordon, and a conversation took place between them, which resulted in Mr. Chapman saying to Gordon that up to that period he had thought him an honest man, but that now he found him to be a rogue; and Gordon then admitted, substantially, to Mr. Chapman, that every one of those warrants on which upwards of £80,000 had been advanced was of a fictitious and fraudulent character, and that if they did not in point of law amount to forgeries, they were forgeries in point of reality and fact.

Mr. Chambers here interposed, upon the ground that the question of fraudulent warrants did not bear upon the present charge, of not surrendering to the fiat of bankruptcy.

Mr. Ballantine thought that it was necessary to show what was in the mind of the prisoner when he absconded, and failed to surrender to his bankruptcy. He would confine himself, however, to a narrative of the case, and to observations which were strictly pertinent to the charge. Subsequently it appeared that the prisoner went to Mr. Webb, the original owner of the distillery, and informed him that Mr. Chapman had told him that he (the prisoner) was a rogue, but that he must not allow a syllable upon the subject to escape his lips, and must keep it an entire secret from the world. After this a suggestion was made, at an interview at which Cole was present, which resulted in Gordon giving a promissory note for £120,000 to Messrs. Overend and Gurney, which Mr. Chapman took, not probably imagining that it would turn to much profit. After that,

however, the deeds relating to the distillery which had been previously deposited with Mr. Nicholson, were given as an additional collateral security to Messrs. Overend and Gurney and, from that time to the time of the bankruptcy, no disclosure was made of the fact of these transactions. There was no doubt whatever that, in consequence of this, Gordon, who had admitted himself to be a dealer in warrants of this description, and to be concerned in one of the greatest frauds which ever occurred in the City of London, was allowed to carry on business, and did carry it on successfully, in good reputation, and with fair credit. During that time the prisoner was in constant communication with Mr. Chapman; he was known to be connected with the large house of Overend and Gurney. The credit of himself and partner was maintained in the City of London, and they were enabled to perpetrate fresh frauds, in consequence of the credit which was assigned to them by Messrs. Overend and Gurney, and their neglecting to make known the important matters to which he had referred. He could not but regret that this course of proceeding had been adopted, because it had enabled Gordon to carry on business for a longer time than he could otherwise have done; and it would be proved that other warrants of the same kind continued to be deposited by him, until the period arrived when he and his partner could carry on their affairs no longer. Three or four days previously to the 17th of June, 1854, the prisoner found himself in great embarrassment. A large amount of money was then due to the Excise for duty, and it was evident that at that time Gordon and Davidson undoubtedly contemplated absconding, for they had a great quantity of spirits removed from the distillery, upon which they obtained advances to the amount of £3,000. The Excise officer was unwilling to allow the spirits to leave the distillery until the debt owing to the Excise was discharged; but upon a cheque for £7,000 odd being given, the spirits were permitted to go. That cheque, of course, was never met. Upon the 17th of June the prisoner and Davidson went to Dover. They both were seen on board the Ostend boat, and they did not return to this country until brought here by the *Indus*, when they were compelled to leave Malta. A commission in bankruptcy was sued out; inquiries were made, and all the available assets were found to be about £2,000, which Gordon had handed over to Mr. Elmslie, his attorney. These were the assets; and the debts unsecured which they had incurred, including that due to Overend and Gurney, and other debts upon fictitious warrants, amounted to the enormous sum of £500,000. The prisoner and his partner after arriving at Ostend went to Brussels, thence to Aix-la-Chapelle, and they soon found themselves in Neufchatel. As there was no extradition-treaty in existence with Neufchatel, they would not have been delivered up in the ordinary course of things by the Government of Switzerland to the Government of this country; but as there were bills out which had been drawn by the prisoner, they were put into the hands of inhabitants of Neufchatel, who took proceedings upon them. The prisoner and his partner then went to Geneva and ultimately to Naples. At Naples they were delivered up to the Government, and in May they were taken to Malta, where, however, owing to some technical objection to the form of the warrant, they were discharged by the magistrate. An English officer was there in attendance. The accused were obliged to leave Malta, and on their arrival at Southampton they were taken into custody. He had now, he believed, laid the principal facts before the jury. Upon the subject of the non-surrender there could, of course, be no question, and he apprehended that the circumstances connected with the fictitious warrants and with the dealings of these persons generally, would leave no doubt upon the minds of the jury that, in endeavouring to get away from this country, the prisoner had done so with a full consciousness of the frauds of which he had been guilty. In conclusion, he would only observe that this was a case of the very deepest importance, both from the character and magnitude of the transactions and from the mode in which the frauds had been mixed up with other parties. In a great commercial community like this, where credit was the soul of business, that credit must be maintained at all hazards, or the high character of this country in mercantile transactions would be materially damaged, a result which would be certain to ensue if it should appear that the law was incapable of dealing with great offenders of the class now before the Court.

The following evidence was then adduced:—

Mr. Thomas Hamber, a messenger in the Court of Bankruptcy under Mr. Commissioner Goulburn, produced the bankruptcy proceedings in the case of *- Davidson and Gordon -*. The petition was filed on the 20th of June, 1854, by John M. Millem, of the City of Glasgow, as the petitioning creditor.

Mr. Chambers took an objection to the reception of these documents in evidence, on the ground that erasures appeared upon them, and the name of the county appeared to have been altered from Middlesex to Essex, and there was no evidence to show that these alterations had been made by proper authority.

Mr. Justice Erie, after some discussion, said he should receive the evidence, as it bore the seal of the Court, but he would reserve the point for further consideration if it should become necessary.

The petition and the other documents were then put in and read. The prisoner and his partner were adjudicated bankrupts on the 21st of June, 1854.

Mr. Hamber, on further examination, said that on the 21st of June, he served a duplicate notice of the adjudication of bankruptcy at the offices of the bankrupts in Mincing-lane. He saw a person there whom he supposed to be the bankrupts' clerk.

Mr. Chambers said this would not do. There must be proof that this person actually was the bankrupts' clerk.

Examination continued.—Mr. George, the clerk to Mr. Linklater, the solicitor to the petition, accompanied him when he served the notice. The witness then produced a copy of the *London Gazette* of the 30th of June, 1854, in which the bankruptcy was published.

Mr. Chambers objected to the reception of the *Gazette* as evidence, on the ground that it described the bankrupts as of West Ham, Middlesex, whereas in the bankruptcy proceedings, they were described as of West Ham, Essex, and he contended this was a fatal variance, and that there had been no legal notice under it.

His lordship admitted the evidence. The days appointed for the surrender of the bankrupts were the 7th of July and the 19th of August, and it appeared upon the proceedings, that neither of the defendants surrendered on either of those days.

In answer to questions put by Mr. Chambers, the witness said he was not sure that the Court of Bankruptcy sat on the 7th of July, or whether Mr. Goulburn or Mr. Fonblanque sat on the 19th of August.

Cross-examined.—Witness was a messenger in Mr. Commissioner Goulburn's court. He went to Mincing-lane, accompanied by the clerk to the solicitor to the petition. He only left one document. He did not give it to any person, but left it in the counting-house in the usual way.

Mr. F. George, managing clerk to Messrs. Linklater, said, he accompanied the last witness to a place which he knew to be the counting-house of Messrs. Davidson and Gordon, in Mincing lane, and he saw him leave the notice of the adjudication of bankruptcy there. He produced a copy of the notice he said he had served that morning upon the prisoner Gordon, calling upon him to produce the document that was left at his counting-house on the 21st of June.

By Mr. Chambers.—At the time he served the notice upon him, he had pleaded to the present charge. He had been in custody since April, and had been examined by the magistrate a great many times.

William Haggis, deposed, that on the 25th of July, he served a notice at the counting-house in Mincing-lane, of the days on which the bankrupts were to surrender. He afterwards made a search among the papers of the bankrupts, but he could not find the notice he had left among these papers.

By Mr. Chambers.—Witness had the keys of the premises, and he unlocked the door and placed the notice on the mantel-shelf. He then locked up the place and went away. The assignees took possession of all the books and papers.

Mr. George was recalled, and was examined at considerable length by Mr. Chambers, with reference to the time when the alterations were made in the bankruptcy papers, and he declared that the alterations were made upon the discovery of the mistake in the county of Middlesex for Essex, before the papers were signed by the commissioner.

Mr. Ballantine then proposed to put in evidence copies of the notices that were served at the counting-house of the bankrupts, upon the ground that the originals were lost, or that at least there was sufficient evidence of the fact to justify the reception of secondary evidence of their contents.

Mr. Chambers objected to the reception of the evidence, and contended that the notice which had been served upon the prisoner that morning, was not given in reasonable time to enable him to produce the document, supposing even it had been proved to have been in his possession, and that the evidence that had been adduced was not sufficient to show that the documents had been lost, and that to a certain extent it negatived the possibility of the documents having ever come into the possession of the prisoner.

The Court, without hearing Mr. Ballantine, ruled that the secondary evidence was admissible.

Mr. Chambers then said, as it would now be assumed that a summons to surrender had been proved, he should submit that where there was a joint fiat, a single notice was not sufficient. It might happen, where there were several partners, that one of them might take the notice, and the others be perfectly ignorant of such a notice being in existence, and yet if one notice was held to be sufficient, they would be liable to all the highly penal consequences enacted by this statute.

Mr. Justice Erle said, he would reserve this point for further consideration, with any of the others which, upon deliberation, he should consider tenable.

Mr. Checketts, a clerk in the Bankruptcy Court, proved that neither of the defendants attended on the days appointed for their examination, and that they were proclaimed in the usual course.

The notices then were formally put in, and read; and Mr. Chambers took another objection to the notice to surrender—that it referred to a bygone day—namely, the 7th of July, it being proved to have been served on the 25th of July. He urged that it was a misleading and equivocal summons, and that the bankrupts were not bound to pay attention to it.

Mr. Justice Erle said that this objection should also receive consideration.

Mr. Charles Walker deposed that, previously to June, 1854, he had been three years managing clerk to the prisoners' firm. They were colonial brokers and metal agents, and also carried on the business of distillers at West Ham for nine or ten months. He did not know when they left England, but he did not see them after the 17th of June, 1854. He had examined the books since the bankruptcy, with an accountant, and had ascertained, that there were large liabilities outstanding. He heard the prisoner say, about the month of June, that there was a large sum due to the Excise on account of the distillery. After the prisoner and his partner left, witness had no means of carrying on the business, and no money was left with him. He was aware that the bankrupts had dealings with Mr. M'Millen, of Glasgow, and that they received goods from him. Some cheques, he believed, were given in payment of the amount due to the Excise. Mr. Gordon, the prisoner, signed those cheques. The offices were opened on the 19th, and he expected to see the prisoner on that day; but he did not see him any more until he was in custody. No business of any kind was transacted after the 17th of June.

Cross-examined.—Witness had nothing to do with the distillery. He was engaged in the office in Mincing-lane. There was a balance at the bankers' on Friday, the 16th of June. The prisoner carried on a very extensive business. The bankruptcy messenger came on the 21st of June, and, after that day, the counting-house was closed.

Mr. Samuel Davis, agent for Mr. M'Millen, of Glasgow, and other manufacturers, proved that in May, the prisoner gave him three orders for goods, to the amount of £2,000. A portion of these goods was to be supplied by Mr. M'Millen. The value of that portion was £426 6s. On Saturday, the 17th of June, witness went to the prisoner's counting-house in Mincing-lane, and saw the prisoner, but did not get any money. He went again on the Monday, and found that the prisoner and Mr. Davidson had left, and he could get no information respecting them.

Cross-examined.—The arrangement with the prisoner was, that the goods should be paid for by half cash in a month, and the balance in three months.



Mr. M'Millen deposed that he authorized the goods in question being sent to Messrs. Davidson and Gordon in May, 1854, and he had never been paid for them.

Mr. D. B. Chapman was the next witness. He said—I am one of the firm of Overend, Gurney, and Co. We are money dealers. I know the prisoner. I first knew him when he carried on another business in 1847. He made some composition with his creditors at that time. Down to 1853 our house made several advances of money to him upon warrants for metal of different descriptions. In October, 1853, in consequence of something that occurred, I sent for the prisoner, and he came, accompanied by Mr. Cole, to whom we had also advanced money. The sum we had advanced at this time upon warrants was about £50,000, and we have never received any portion of it. Cole had given me some information about the warrants, at an earlier part of the day. I had some conversation with the prisoner about the warrants, and I told him what I had heard from Cole. I cannot recollect exactly what passed, but my principal object was to know to what depth we were involved.

Mr. Chambers having interposed, the witness said he did not think he would object to what he was going to say, as it was nothing against his client.

Examination continued.—I had heard that Gordon's warrants were of no more value than those I had received from Cole, which he admitted were worthless; and I have no doubt that I broached this subject to the prisoner, and asked him if it was true what I had heard. The effect of what took place, was to certify to us that we had been defrauded of a great deal of money. I do not think that I said to Gordon that he was a thief. It is not likely that I should have done so. Cole was the person whom I considered to have been the guilty party at that time. I took down from the prisoner a full statement relating to the distillery, but I do not think I asked him for any information about the warrants.

Mr. Ballantine.—Why did you send for him, then?

Witness.—We wished to know his connexion with the warrants, and the depth to which we were involved, and I found that out very soon. Cole told me that there was no property at the wharf, which was supposed to be represented by the warrants, and upon which we had advanced £80,000. The prisoner gave me a bill of exchange for £120,000 upon this occasion. It was made payable on demand, and was drawn by Davidson and Gordon, and endorsed by Cole. That bill, of course, has never been paid. On the following day I received some deeds relating to the distillery from the prisoner Gordon. I swear that nothing was said about those deeds until the time when they were placed in my possession.

Mr. Chambers here objected that all these matters were quite irrelevant to the issue, and were merely calculated to cast a very serious prejudice upon the witness.

Mr. Justice Erle said, he could hardly decide that the matter was not relevant, but it was certainly a long way from the question of the bankruptcy.

Examination continued.—I never received the deeds as security, and I gave them up when Cole was made bankrupt.

Cross-examined.—Mr. Gordon said he expected to be able to arrange all his difficulties. The profits of his business were represented to be between £30,000 and £40,000 a-year at this time.

Mr. Thomas Webb said—I was the owner formerly of the distillery at West Ham, and parted with my interest in it to Messrs. Davidson and Gordon. I remember seeing the prisoner in October, 1853, and he told me that he had told Mr. Chapman everything. I asked him what he meant by "everything," and he said he had had large advances of money from Overend and Gurney upon warrants, and that the goods had not been paid for, and had been taken away, and he was obliged to acknowledge that he owed Cole £120,000. I asked him if he did, and he said he did not. I asked him what Mr. Chapman said to this, and he said Mr. Chapman told him he had always looked upon him as an upright man, and was sorry to find that he was otherwise. He also said that Mr. Chapman said that what had taken place on the previous night between them was to be kept secret.

Cross-examined.—Witness was indebted to the prisoner's firm on account of the distillery to a very large amount, but not to the amount of £180,000. He could not state within £10,000 what the amount of the debt actually was. Wit-

ness was indebted to them to a very large amount, and they took to the distillery against his will.

Evidence was then adduced to show that the prisoner had obtained large sums of money by the deposit of fraudulent warrants for metals from different mercantile firms up to the month of February, 1854. It was also shown that the firm owed to one creditor a sum of £9,000, for copper, and that they had deposited warrants which turned out to be perfectly worthless for the amount. It also appeared that on the day the prisoner and his partner absconded, they disposed of spirits to the amount of £2,600, and obtained possession of the cash, and that they gave cheques to the supervisor of excise for £7,000 odd for the duty, when it turned out that they had no cash at the banker's to meet them. Evidence was also given of their having been at Geneva and Neufchatel, and that they endeavoured to obtain a permission to reside at that place, which was refused, and that they then proceeded to Malta, from which place they returned to England, where they were taken into custody.

The case for the prosecution being brought to a close by this evidence, Mr. Chambers inquired, what was the act of bankruptcy upon which they relied?

Mr. Ballantine refused to satisfy the learned counsel on this point.

Mr. Chambers then proceeded to submit to the judge various technical objections, which he requested his lordship to reserve. In the first place, he contended that no act of bankruptcy had been clearly proved to have been committed. The adjudication took place either upon the 20th or 21st, and upon these days it seemed that the bankrupts were not at their counting-house; but their clerks were, and if the bankrupts had returned it was clear that the mere fact of their absence upon those days would not have constituted an act of bankruptcy. With regard to their departure from the realm, the act required that that should be done with a view to defeat or delay their creditors; and he submitted there was no evidence that they had quitted the realm with that intention. Another point which he suggested was this—The prisoner being abroad, did anything which he omitted to do, which was required by the statute, constitute an offence against the English Bankruptcy Act, when in fact it was an offence committed beyond the realm?

Mr. Ballantine said that the offence was committed at the place where the prisoner did not surrender, as he was bound to do by the law.

The Court thought that the view taken by Mr Ballantine was the correct one. He would reserve the points which the learned counsel had referred to, although he did not attach much weight to them.

Mr. Chambers then proceeded to address the jury. He said that, in truth and in seriousness, this case resolved itself into various difficult and doubtful questions of law, founded upon what he might call the equity and justice of the bankruptcy laws. It would, he thought, be extremely useful if the jury would find, according to the evidence, whether it was possible that the prisoner could have had the actual knowledge conveyed to his mind of the duplicate of adjudication and of the summons to surrender. He solicited them to find upon that issue, because it appeared to him to be a most extraordinary proceeding that a man with the common privileges of Englishmen should be called upon to do an act by summons, and that it should be sufficient to place that summons in such a position that it would be impossible for the man to see it. In order to establish the charge laid in the indictment—that the prisoner omitted to surrender, with the intention of defrauding his creditors—it ought to be clearly shown that he had a knowledge that he had been adjudged a bankrupt, and that he had been called upon to surrender by a summons within a given time. It had been decided long ago that a bankrupt's omission to surrender was not a felony unless it were wilful. He submitted that the prisoner had no knowledge when he went abroad that bankruptcy was either inevitable or likely, and still less that a fiat in bankruptcy had been issued. It must be remembered that the distillery was an enormous concern, paying £7,000 every week in Excise duty, and yielding profits to the extent of between £40,000 and £50,000 a year. The probability was, therefore, that Mr. Gordon was abroad, expecting that each day might bring

him a telegraphic message informing him that he was no bankrupt, and was not likely to become a bankrupt, for his business was of such a nature that a few successful transactions might have restored him to splendid riches. In the criminal law nothing was to be assumed, and the jury could not take it for granted that the prisoner went abroad with any intention to defraud his creditors, and with a determination not to surrender; neither could they say that the bankrupt had refused to surrender in wilful disobedience of an order of which he had never been made aware.

Mr. Justice Erle, in summing up, said that this was rather an unusual prosecution, and of some considerable importance. The offence was that of surrendering in bankruptcy, and he should tell the jury that it was the duty of a trader becoming bankrupt to surrender; and that, if he did surrender, an advantage was conferred upon the creditors, who were then in a position to make him give a full account of his transactions and his property. He should give the jury, in three short heads, the items to be established before they could find the prisoner guilty. They were—first, that he was a bankrupt; next, that the requisite papers had been left according to the act of Parliament; and, thirdly, that he had omitted to appear, with intent to defraud his creditors. With regard to the first item, there could be no doubt that the prisoner was a trader. Then, being a trader, many things constituted an act of bankruptcy. One was, absenting himself from his place of business; another was, absenting himself from the realm; and, if he did either of these, with intent to defeat or delay his creditors, he committed an act of bankruptcy. The circumstances of this case were, that, being in considerable embarrassments, the prisoner, upon the 17th of June, without any notice to his clerks, or leaving any address, or affording any means of finding him, suddenly quitted the country. Persons going to the counting-house found both partners gone, and no trace of them left behind. These were, he thought, very strong evidences of an act of bankruptcy. Then came the second question. Supposing him to be a bankrupt, had all the necessary papers requiring him to attend and surrender been duly left according to act of Parliament? The act required that the duplicate adjudication and the summonses to appear should be either served personally, or left at the last place of business. There was ample proof that both these documents had been left at the last place of business, No. 14, Mincing-lane. Notwithstanding the formal objection which had been taken, and which he should reserve, that appeared to him to be a sufficient service, according to the spirit of the act. By the introduction of the words "last place of business," the law clearly contemplated bankrupts who were absconding from their creditors, and were not to be met with. He was, therefore, of opinion, that the law was satisfied if the notices were left at the last place of business; and that this had been done there was no doubt. Then came the third question, Did the prisoner omit to surrender on the 19th of August, with intent to defraud his creditors? He (the learned Judge) was of opinion that the creditors would be defrauded, and that a person must be taken to intend to defraud his creditors, if he purposely stayed away to avoid an examination, and the responsibilities which he would incur if he surrendered. If, then, the prisoner believed that he was a bankrupt, and stayed away upon the 19th of August, in order to deprive the creditors of their right and privilege to examine him, he (the learned Judge) was of opinion that such staying away would be with intent to defraud, and would justify the jury in finding a verdict of guilty upon that head. So far as Mr. Chapman's evidence went, he thought, perhaps, that up to October, 1853, the bankrupt was more "sinned against than sinning;" because Cole appeared to have lent him certain spelter-warrants, and afterwards to have withdrawn the metal. It was in evidence, however, that so late as February, 1854, the prisoner continued to deposit these warrants, and in that month he received from one witness alone £8,000, upon a security of £10,000 or £11,000 worth of spelter-warrants, which there was no metal to represent. These were matters which, no doubt, the creditors would have been extremely anxious to have inquired into, if the bankrupt had surrendered, but which, owing to his non-surrender, they had not been able to investigate. After briefly alluding to the sudden departure of the prisoner from England, on the 17th of June, the rapid conversion of spirits into money, and the circumstance of

quitting the realm without informing his clerk, or leaving any address behind him, all which things were, he said, fraught with suspicion, his Lordship informed the jury that if they were of opinion that the prisoner had omitted to surrender, with intent to defraud his creditors, the whole requirements of the statute would be complied with. If they believed that the three requisites which he had mentioned were proved, they would find the prisoner guilty; but if either of them was left in reasonable doubt, they would acquit him.

The jury almost immediately returned a verdict of *Guilty*.

Mr. Ballantine then said there was a charge against the prisoner's partner Davidson, in which the evidence would be precisely the same, and the same objections would, no doubt, be taken as those that were reserved for consideration in the present case. It therefore appeared to him that it would be a useless waste of time to go into that indictment, and that it would be better that it should stand over until the legal points were decided.

Serjeant Byles said that, on the part of his client, he saw no objection to this course, and all the other charges were, consequently, postponed.

### PARIS BANKS.

EVERYBODY in England (says the *Economist*) is aware that there are seasons when projects of one kind ripen, and seasons when projects of some other kind sprout up and flourish. At one time assurance companies, at another railroads, and at another joint-stock banks come over the land as shoals of herrings or mackerel crowd the seas. A glance at the existing companies of Paris and the dates of their birth shows that our neighbours are subject to similar visitations. In 1836 and 1837 an immense number of maritime assurance companies grew up at Paris, and again in 1845 and 1846, and many of them remain. Since 1848, joint-stock banks seem to have come into favour there as here, and have accordingly multiplied. That the success of one scheme is usually the stimulus to many is obvious enough; still it would be useful to have all these various phases of human life classified and arranged, so as to arrive in the end at something like a knowledge of the law of their existence. They are some of the phenomena of society which are quite as worthy of the observation of science as the motion of the glaciers, or the forms of inferior animals, or many other of the subjects that certain gentlemen require us to pay them and honour them for attending to.

The banks now existing in Paris as companies, of which the shares are negotiated on the Bourse, appear to be as follows :—

The Bank of France was constituted by act, dated February 13th, 1800, and continued by several acts, some of which altered its constitution. The last act is dated June 30, 1840, and continues the existence of the bank to December 31, 1867. The original capital of the bank was 30,000,000*f*. After undergoing several alterations it is now 91,250,000*f*., in 91,250 shares of 1,000*f*. each, of which the value in the market now is 3,300*f*. The bank issues notes of 100*f*., 200*f*., 500*f*., 1,000*f*., and 5,000*f*.

The Caisse Commerciale dates from 1846, and is constituted for 25 years. The capital is 10,000,000*f*. in 20,000 shares of 500*f*. each, all paid up. These two are the only joint-stock banks of Paris which date prior to the Revolution, of which the shares are now quoted on the Paris Bourse.

The Bank of Discount, Comptoir d'Escompte, was created on March 4, 1848, in the midst of the Revolution, to enable the retail trade of Paris to get through the crisis. By a decree of the 8th of March, such a bank was established in all the commercial towns. At first, the capital was 20,000,000*f*., one-third of which was subscribed, one-third consisted of

*bons du trésor*, and one-third of bonds of the city of Paris. Since its establishment, it has undergone sundry modifications, the establishments in the different towns have been wound up, and it now possesses a capital of 20,000,000f., in shares of 500f. each. The guarantees of the State and of the city of Paris are withdrawn. Its capital may be argued to 40,000,000f. It executes most of the ordinary business of a bank, but chiefly it discounts bills payable at Paris, in the departments and abroad. Its operations are, however, classified by different trades; it is divided into departments, each of which is devoted especially to bookselling, metals, colonial wares, building, and railways.

A bank *en commandite*, under the firm of Lehieux and Co., was established by a decree of May 15, 1849. It has a capital of 6,000,000f., in 6,000 shares of 1,000f. each, and is constituted for 10 years. On such shares dividends have been paid in March, 1850, 30f. 54c.; '51, 70f. 35c.; '52, 63f. 94c.; '53, 63f. 97c.; '54, 72f. 67c.; '55, 73f. 36c.

The *Credit Foncier de France* is a bank chiefly intended to make advances on real property in the departments where there is no especial bank of *credit foncier*, but it does other banking business. It was established in 1851. The nominal capital is 30,000,000f., divided into 60,000 shares of 500f. each, but of that only 250f. on each share is paid up. The company is authorised to extend its capital to 60,000,000f. Its shares have been down to 440f., and up to 1,275f.

The Bank of Martinique dates from July, 1851; its capital is 3,000,000f., in shares of 500f. Its title shows its principal business, and its real dividends appear to have been 18f. 25c. per share for the second six months of 1853, 18f. 50c. for the first six months of 1854, and 18f. 25c. for the second six months.

The Bank of Guadeloupe dates also from July, 1851, and has also a capital of 3,300,000f., divided into 6,000 shares of 500f. each, and its dividends bear a close resemblance to the other.

The Bank of L'Île de la Réunion dates from the same period, has the same amount of capital, in shares of the same value, and has been about as successful as the two others.

The Bank of Algeria was also established in 1851, but in August, and has likewise a capital of 3,000,000f., in 6,000 shares of 500f. each, but it only commenced operations in November last year.

The *Credit Mobilier*, which dates from 1852, and has a capital of 60,000,000f., and has carried out extensive operations.

The *Société Générale de Credit Maritime* was authorised by a decree of April 27, 1853. It trades under the firm of David La Coste, Collas, and Co., and is constituted for 50 years. Capital, 50,000,000f., in 100,000 shares of 500f. each. One of its objects is, to make advances on merchandise, and it performs, otherwise, the functions of a bank. Its statutes prohibit it from speculating in merchandise on its own account.

The *Caisse et Journal des Chemins de Fer* is also a bank formed by a company *en commandite*, trading under the firm of J. Miries and Co., but confines its operations very much to railways. Capital, 12,000,000f., in 24,000 shares, all paid up.

The *Comptoir Central à Paris* is another bank *en commandite*, trading as V. C. Bonnard and Co. Capital, 100,000,000f., in 1,000,000 shares of 100f. each, on which 25f. only have been paid up. Its operations are not described. It dates from May, 1853.

Another *société en commandite* is called *Du Credit Industriel*, and also dates from 1853, but September. It trades under the firm of J. Mallevergue and Co. Capital, 2,000,000f., in 20,000 shares of 100f. each, of which 50f. are paid up.

Finally, the Bank of Senegal, constituted by a decree of December 21, 1853. Capital, 230,000*f.*, in 460 shares of 500*f.* each, which has just commenced operations.

From this statement it appears that, including the Bank of Discount, twelve joint-stock banks have been established in Paris since the Revolution, and that prior to it there were only two. The capital of the two was together 101,250,000*f.* The paid-up capital of the twelve is 151,230,000*f.*, and the total banking capital is 252,480,000*f.*, or about £10,000,000, not equal to the capital of the Bank of England. Within the last seven years, the capital devoted in Paris to banking operations, under the management of companies, has increased  $1\frac{1}{2}$  times. The bulk of the increase, 125,000,000*f.*, has taken place since 1851. We have had a large increase in the same period, but proportionably the increase here has not been anything like so great as the increase there. The sudden growth of the banking business in Paris is an example of those periodical starts which we set out by observing, and which are more conspicuous, we think, in the economical history of our neighbours than in our own, inasmuch as they are rather prone to do all things on a magnificent scale.

In one respect, the small amount of banking capital invested in Paris is satisfactory. It shows that the whole credit business of our great neighbour is small in comparison with our own, and in comparison to the credit business of the whole world, all the parts of which are now everywhere closely dove-tailed into one another. A moneyed panic in France, should one occur, would be less important perhaps to us, than one in the United States, and of much less importance to the whole commercial world than such a panic in London and in England. In another respect, the large superstructure which is built on the small foundation is anything but satisfactory. Against the capital of the Bank of France, 91,250,000*f.*, are issued notes to the amount of 542,589,300*f.*, or six times the amount. The capital of the Bank of England, as our readers know, is £14,553,000, and the circulation, one-and-a-half times greater than the capital, is now £21,133,000. Our joint-stock banks issue no notes of their own but their circular notes, which are always issued against cash, and do not issue, that we are aware of, any bonds or obligations. The Credit Mobilier is empowered to issue bonds to ten times the amount of its capital. The Credit Foncier de France has issued bonds to the amount of 200,000,000*f.* We may anticipate, therefore, that a panic, or a depreciation of this mass of obligations would cause in Paris and France very considerable distress, without affecting other countries in any corresponding degree. The shares of the Credit Mobilier, which last week we stated were 1,585*f.*, are now 1,430*f.*

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#### THE TRADE OF THE UNITED KINGDOM.

THE Board of Trade returns for the month ending the 31st of August were issued on the 30th of September, and present a further corroboration of the views entertained regarding the commercial position of the country. Compared with the corresponding month of last year, they show an increase in the declared value of our exportations of £107,759. Among the most prominent items on the favourable side are silk manufactures, woollen and linen yarn, and the various miscellaneous products comprised under the head of unenumerated articles. On the other side,

the chief features observable are still those consequent upon the diminution of the Australian trade. The general character of the return, however, is one of remarkable steadiness, since in the great branches of industry, such as cotton, woollen, and linen manufactures and metals, the totals show very moderate variations. The following table exhibits the exact increase or decrease in the exportation of each article :—

## DECLARED VALUE OF EXPORTATIONS.

Month ending Sept. 5th. 1854, and Aug. 31st. 1855.	1854.	1855.	Increase.	Decrease.
Alkali—viz., soda ... ..	36,787	43,617	6,830	—
Beer and ale ... ..	85,797	99,870	14,073	—
Butter ... ..	45,388	41,793	—	3,595
Candles ... ..	22,066	35,538	13,472	—
Cheese ... ..	4,853	7,903	3,050	—
Coals and culm ... ..	196,393	275,198	78,805	—
Cordage and cables ... ..	29,327	26,571	—	2,756
Cotton manufactures ... ..	2,298,131	2,280,888	—	17,243
Cotton yarn ... ..	550,071	635,444	85,373	—
Earthenware ... ..	113,022	100,984	—	12,038
Fish ... ..	64,812	61,238	—	3,574
Glass manufactures ... ..	53,519	47,714	—	5,805
Haberdashery and millinery ... ..	385,403	241,317	—	144,086
Hardware and cutlery ... ..	338,540	231,374	—	106,666
Leather ... ..	124,079	104,091	—	19,988
Linen manufactures ... ..	349,449	344,854	—	4,595
Linen yarn ... ..	52,191	79,489	27,298	—
Machinery ... ..	202,215	215,386	13,171	—
Metals ... ..	1,386,486	1,321,815	—	64,671
Oil and seeds ... ..	51,418	56,011	4,593	—
Painters' colours, &c. ... ..	30,082	32,643	2,561	—
Salt ... ..	28,320	36,065	7,745	—
Silk manufactures ... ..	98,271	133,567	35,296	—
Silk, thrown ... ..	15,443	23,670	8,227	—
Silk, twist and yarn ... ..	83,394	20,452	—	12,942
Soap ... ..	22,285	22,636	351	—
Stationery ... ..	73,415	61,205	—	12,210
Sugar, refined ... ..	16,928	6,728	—	10,196
Wool, sheep or lambs ... ..	104,542	91,012	—	13,530
Woollen manufactures ... ..	878,395	818,602	—	59,793
Woollen yarn ... ..	156,939	196,844	39,905	—
Unenumerated articles ... ..	935,758	1,196,454	260,696	—
Total ... ..	8,783,714	8,891,473		

With regard to imported commodities, an increase is again shown in the arrivals of wheat and Indian corn ; but flour presents a diminution, owing to the delay in the American shipments. Coincident with the demand for breadstuffs there has been an augmented importation of rice, as was also the case last month. The consumption of other articles of food or luxury has been upon a scale to indicate the exercise of economy on the part of the people, induced probably by the high price of grain. Thus tea, coffee, cocoa, sugar, spirits, fruits, and spices all show a decline. The importations of some of these articles, however, have been large, especially of coffee, cocoa, and tea.

Subjoined are the quantities of provisions, &c., imported and taken for home consumption :—

Month ending Sept. 5th, 1854, and Aug 31st, 1855.	Imported.		Home Consumption.	
	1854.	1855.	1854.	1855.
Grain, wheat, qrs. ... ..	193,058	251,860	198,058	251,860
Grain of other descriptions, qrs.	261,899	198,372	261,899	198,372
Indian corn, qrs. ... ..	62,847	132,960	62,847	132,960
Flour and meal, cwt. ... ..	228,314	134,411	228,314	134,411
Provisions—Bacon, &c. &c., cwt.	94,092	34,235	Free.	Free.
Butter and cheese, cwt. ... ..	80,598	96,040	80,850	91,906
Animals, No. .. ..	46,529	45,686	Free.	Free.
Eggs, No. ... ..	9,348,310	9,368,200	9,504,385	9,370,200
Cocoa, lb. ... ..	962,416	1,183,335	340,251	804,048
Coffee, British, lb. ... ..	6,233,853	8,612,208	2,421,835	2,044,809
Ditto, foreign, lb. ... ..	328,062	3,719,270	497,562	514,095
Total coffee ... ..	6,561,915	12,331,478	2,919,397	2,558,904
Sugar—				
West India, cwt. ... ..	273,657	381,684	247,747	237,761
Mauritius, cwt. ... ..	140,339	89,712	58,134	79,441
East India, cwt. ... ..	48,449	15,096	29,369	89,742
Foreign, cwt. ... ..	426,281	249,702	380,936	154,292
Total sugar ... ..	885,726	736,194	716,186	511,236
Tea, lb. ... ..	2,741,294	6,274,372	5,022,041	4,413,309
Rice, cwt. ... ..	186,382	324,056	59,667	80,610
Spirits, gallons ... ..	1,033,332	1,168,588	429,411	363,130
Wines, gallons ... ..	786,487	758,841	540,680	577,334
Opium, lb. ... ..	3,512	11,075	5,953	3,775
Tobacco, lb. ... ..	628,670	1,582,175	2,441,806	2,416,009
Currants, figs and raisins, cwt. ...	5,314	4,166	25,521	12,904
Lemons and oranges, bushel ...	3,298	4,961	3,376	4,585
Spices, lb. ... ..	927,871	619,889	397,193	256,782
Ditto, cwt. ... ..	534	84	197	163

The following are the comparative imports and exports of raw material, showing a large diminution under every head, sufficient to demonstrate that there has been no overtrading, and that the recent movements in the money-market have been necessitated by exceptional circumstances :—

Month ending Sept. 5th, 1854, and Aug. 31st, 1855.	Imported.		Exported.	
	1854.	1855.	1854.	1855.
Flax, cwt. ... ..	134,447	116,356	—	—
Hemp, cwt. ... ..	180,408	194,565	—	—
Raw silk, lb. ... ..	430,562	319,944	79,727	259,327
Cotton, cwt. ... ..	622,363	411,680	110,219	112,625
Wool, lb. ... ..	15,812,869	10,841,684	8,004,482	4,860,732
Tallow, cwt. ... ..	60,893	49,243	—	—



Of silk manufactures, the totals stand thus :—

Month ending Sept. 5th, 1854, and Aug. 31st, 1855.	Imported.		Home Consumption.	
	1854.	1855.	1854.	1855.
Silk manufactures of Europe, lb.	88,571	74,290	89,585	72,974
Ditto of India, pieces ... ..	24,644	31,516	16,223	7,379

In the importation of other articles there has been the same tendency to a general decrease. Flax and leather manufactures, hides, timber, and metals, except copper, all present a heavy falling off.

## Banking and Commercial Law.

### MR. LEONE LEVI'S LECTURE AT KING'S COLLEGE.

MR. LEONE LEVI, F. S. A., on the 9th of October, delivered an introductory lecture at King's College, on banking and commercial law, to a highly respectable and crowded auditory, amongst whom were the Rev. R. W. Jelf, D.D., the principal; Mr. J. W. Gilbert, manager of the London and Westminster Bank; and several other gentlemen engaged in banking and commercial pursuits.

The learned Professor, who was received well, said—It is not without some hesitation that I enter into the task of expounding the principles of banking and commercial law. To an essentially practical audience all theoretical axioms are altogether out of place; nevertheless, it is necessary to establish in the minds of the mercantile classes, and especially in that of the younger members, the leading principles of the profession in which they are engaged. Practice is their everyday work. Let that practice be accompanied by an accurate knowledge of the rules by which it is regulated. There is not the passive performance of an ingenious machine; it is rather the product of thought, which they may govern, and of mind, which they may improve. We are, moreover, under the necessity of sowing deep the roots of that commercial science which is the source of true prosperity. The illustrious founder of the French school of political economy, M. Lay, stated that a science makes little real progress till after we have determined the field on which to extend our researches. In commercial science this is especially needed. The very word "commerce" has a variety of meanings, such as friendship, intercourse, interchange, and alliance. Some deem commerce a craft—the child of chance, or the fruit of sordid cupidity—and some esteem its functions degrading to the mind, and calculated to stifle every emotion. Yet how much the world owes to commerce! How it hath softened the character of society! How far and wide it hath induced civilization! How much the state of warfare into which society was constantly thrown has been altered through its peaceful influence! What riches it has amassed! How much human comforts have been thereby increased; and withal what amount of happiness has it not procured! Commerce has its trophies, nobler far than military prowess. But is commerce the parent or necessary attendant of ignorance? Is it the pursuit of only the unlettered and ignoble? Time was when prejudice or pride disdained its touch and alliance; but now the coronet encircles the head of the successful mer-

chant and banker. Their voice is heard in the council of the Sovereign and the wants of commerce are carefully weighed in the balance of public good. Commerce, as a fact, consists in the exchange of what is superfluous for what is wanted, or, in the interchange among individuals of the same or of different countries, by sale or by barter, of those articles required, as food or raiment, for comfort, for luxury, or vice, which, forming the staple produce, or chief industry, or art of either country, are abounding in some and scarce in others. Commerce as a science consists in the knowledge of the laws which govern the production and distribution of the riches of the earth, of the appliances and inventions used for the purpose of manufacture or shipping, of the data which assist in anticipating the future value of articles, of the laws which govern mercantile transactions, and of the tribunals which have been established for the enforcement of rights. Commerce is, therefore, a complex science; it lays under contribution, among other sciences, political economy, mechanics, physical geography, geology, statistics, algebra and mathematics, and jurisprudence. Commerce comprises political economy, in so far as it explains the laws which govern supply and demand. To this science belong all questions of capital and labour, the exchanges, and the theories of value and prices. Political economy treats of money as an imported commodity, as well as a medium of exchange and a standard of value; describes the circumstances which occasion international trade, and lays bare the direct and indirect benefits of trade and commerce. Political economy is a science of modern date, and it is only in the sixteenth century that the knowledge of it dawned in Italy. Although some fundamental principles of political economy may be traced in the works of Machiavelli, it was only in 1582, when the adulteration and falsification of money became a national evil, that Giacomo Scaruffi wrote his "Discourses on Money," in which he was soon after followed by the celebrated Davanzati. In 1613 Serra first endeavoured to explain the causes of the wealth of nations. Some distinct ideas of the real sources of wealth were advanced by Hobbes, in his "Leviathan," published in 1651; and Locke, in his "Essay on Civil Government," in 1680, investigated the subject with that clearness and accuracy which distinguished all his writings. The French economist, Quesnay, stands next in the rank, and the illustrious Filangeri, the author of the famous treatise on crimes and punishments, was appointed professor of political economy at Milan, in 1768. Soon after, however, the master-builder arose, by whose profound knowledge the science was put on a firmer foundation. Adam Smith, by his "Inquiry into the Nature and Causes of the Wealth of Nations," published in 1776, opened a new career to the investigation of thought. This great work put at once the doctrines of political economy on a higher position than they had hitherto attained, and, became the starting point of the school of political economists, whose teaching, notwithstanding all prejudices, succeeded in establishing a new basis for the economical government of nations. Of Ricardo, De Tracy, Malthus, De Quincey, Mill, and many others, we need not speak. Their works are the text-books of the scholar and the guides of the legislator, and they should be studied and pondered upon by all who aspire to correctness of judgement in matters of commerce and government. Mechanics are an essential ingredient in commercial science, as it is by them that our manufacturing power has acquired an unprecedented extension. What an impetus has been given to the arts by the invention and improvement of the steam-engine! The cotton-spinning machine created the cotton trade, which eighty years ago was altogether unknown. How much do we owe to the ingenuity of the carpenter Hargreaves for his spinning-jenny; to Sir Richard Arkwright for his spinning frame; or, again, to William Lee for his stocking-frame, which originated lace-

making! Strange is the episode of Lombe, going in disguise to Italy to learn the silk machinery, and returning to England to be knighted, as a reward for his successful evasion of the Italian law of secrecy! Physical geography claims next our attention. To know the chief characteristics of each country, the different productions of the soil, and their mineral riches, is of the utmost importance for purposes of commerce. New scenes are constantly opened to mercantile adventures. Countries once closed to European contact gradually enter into the common bond of civilised states. China and Japan, the oldest countries on earth, except perhaps Egypt, are but yesterday open to our merchant-vessels. The Arctic discoveries furnish new stations for the explorers of the northern fisheries. Australia is our antipodes, and California in the farthest west, have of late offered a rich asylum to our famished overgrown population, whilst Asia, with her immense population, is ready to partake of the blessings of European civilisation. How ignorant are we as yet of the capacities of India, so vast in extent, so diversified in soil, and so rich in every variety of natural produce. It has been well observed that the bounties of nature are inexhaustible. Nature has yet many wonders in her storehouses awaiting the discoveries of man, and fitted for the rapid advancement of civilisation, and for the diffusion of numerous comforts. Each one in his own range of operations adds to the general stock of improvement, and discovers something new, calculated to sustain and support man, and to benefit the progress of the world at large. Geology affords a rich field of study, and an exceedingly interesting one in a commercial aspect. What is it that renders Britain the great leader in the world's commerce? It is because her stones are brass, and her earth is iron. How many abortive experiments are made in mining adventures in foreign states! Millions are wasted through ignorance of geological science, in trying to get metals from barren rock, or from not seeking them where they may best be found. Statistics is a science which deserves to be numbered among the component parts of commercial science—that science, namely, of procuring, arranging, and publishing facts calculated to illustrate the condition and prospects of society. The merchant and banker are greatly dependent on statistics for the quantities existing or available of each produce or manufacture, and of the prices which have ruled, in different countries and under different circumstances, as well as for the entire record of the operations of our monetary institutions. Mechanically, the merchant and banker are constantly manufacturing statistics. Let it be remembered, however, that whilst nothing is easier than forming huge columns of numbers, nothing is more difficult than an exact classification of facts. Statistics labour under the imputation from public men of being misleading, and subject to abuse. The best means of avoiding this charge, and of relieving the science from this source of failure, is to bestow the greatest care to each fact collected, in its individuality of source and bearing. The first duty of the statist is to guard against all conjectures in the methodical classification of facts; to be sincere, impartial, and scrupulous in arranging them, and to limit himself to lay down only what he knows. Correct statistics are a great clue to commercial or banking operations. The whole doctrine of commerce is based upon inductive reasoning. It is not theory or imagination. Facts and figures are there; he who draws the most correct inference reaps the largest profit. A great revolution has been effected in the method and basis of mercantile transactions. When all information was monopolised by a few, when all notions of quantities were extravagantly distant from truth, and when events, even the most patent, could be concealed with perfect impunity, speculative adventures were founded on chance, and secrecy formed the chief stock of merchandise. Now, however, both commerce and banking are approaching towards the

perfection of fixed sciences, and as such they must be treated. Like every other science whatever, the monetary system has ideas and principles which are peculiar to itself; and if these could be as thoroughly and carefully investigated as is done in every other science, it would necessarily assist in removing some of the differences of opinion and contradictory views upon the subject. It is because such care has been taken in ascertaining and settling the elementary principles of the physical sciences that they are so well understood, and so few differences of opinion prevail about them; and it is because such care and attention have never yet been bestowed upon settling the definitions and elementary principles of monetary science, that it is still in so confused, controverted, and unsatisfactory a state. Statistics are distinct from political economy in the mode they adopt for arriving at truths. Instead of founding principles, statistics verify, by means of ascertained phenomena, the result of them. Political economy deduces the laws which result from the mutual relation of things. Statistics attempt to go back, by a long series of facts, to the laws which create them. Algebra and mathematics are invaluable auxiliaries to statistical science. The great extension of life insurance has introduced recently the new profession of the actuary. In the determination of the law of mortality, and in the adjustment of mortality-tables, high mathematics come into play with great advantage, whilst a knowledge of algebra is all-essential for an actuary to solve any question in arithmetical and geometrical progression—the summation of series—the theory of differences of probabilities and of chances. The study of mathematics has, moreover, the effect of promoting and improving our powers of judgment, of creating in us care and caution, and of producing those qualities necessary for a proper appreciation of the nature of business. It will be unnecessary to produce any illustration of a correct knowledge of science in the practice of commerce. The recent development of the principles of political economy affords, however, a ready example. (The lecturer here went at some length into the relative merits of protection and free trade, from which he drew conclusions that the latter system of policy had been eminently successful. He then adverted to the exports from England to foreign countries, showing that, in proportion to the population of the United States, the sum spent on English exports averaged £1 per head; in France, but 1s. 6d. per head; and in Holland, 21s. per head. The production of wines of France averaged annually 900,000,000 gallons; that of Spain and Portugal, 600,000,000 gallons; Germany and Austria, 545,000,000; and Italy and Germany, 100,000,000 gallons; but, in consequence of the present restrictive system, the entire importation of foreign wines into Great Britain scarcely annually exceeded 5,000,000 gallons.) Again, take an inverse case—the international relations between England and France, two nations separated only by two hours' navigation. By a singular adaptation, each has what the other wants; France being rich in fertility and climate, in artistic skill, intelligence, taste, and elegance; England in its mines, in its industries, and in the ability of adapting science to practice. Nevertheless, the commercial relations between France and England are, comparatively, of the smallest extent; and whilst, under the injurious effects of a restrictive tariff, France suffers for want of the raw material, such as iron, copper, steel, cotton, and linen, Great Britain is by the same cause precluded from introducing a larger consumption of wine among the masses, which would go far to remove from them that sottish appearance, the fruit of inordinate resort to spirituous liquors. The illustration here afforded suggests also the mutual dependence which exists, not only between all the various interests, but between all nations. Commerce is the natural and necessary issue of the diversities which characterise the whole of the world's surface, exhibiting, as it does, an organisation so

majestic and methodical, the manifestation of a supreme and Divine intelligence. But for commerce, what would England do with her iron?—what America with her cotton?—what India with her indigo?—what China with her tea?—what Italy with her silks? Never was the great principle of the mutual dependance of nations better illustrated than by the recent Universal Exhibition. The boundless variety of articles there shown, the production of every region of the globe, wonderfully adapted to the numberless and diversified wants of man, and the tendency of mind to develop its powers towards so many different objects—these all manifest the design of the All-wise Creator in instituting inter-dependence as the best means for promoting individual and universal welfare. A great incentive is also given by commerce to industry, arts, and science, and, as it has been said, the same age which produces great philosophers, and politicians, and poets, usually abounds with skilful weavers and ship carpenters. The more these refined arts advance, the more sociable do men become. They flock into cities, and industry, knowledge, and humanity are linked together by an indissoluble chain. Such are the principles of commerce. Would that practice uniformly corresponded with theories! How many countries still ignore the first and only method for the development of national wealth; and need we say how much remains to be done in our own? What is our legislation respecting currency and banking?—what the entire of our custom laws?—what of our railway legislation? And, if we turn to the humble, yet all-important relations of master and servant, or to the practical machinery of business, is there not much to lament and to reform? Except in some noble instances, of which we have here a splendid illustration in the learned manager of the London and Westminster Bank, how few principals do take any care or interest in the health, morals, and advancement of their clerks? And as to the morals of trade, is there not much to lament in the excessive competition, the trading frauds, and occasional discoveries of practices destructive of the very groundwork of commercial confidence? But we shall say with Dante, “*Non ragioniam di lor, ma guarda e passa.*” Let us not reason of them, but look and pass on. It is time that we enter into mercantile jurisprudence, whose object it is to explain those maxims of natural justice, and those principles of legislation, which have a direct bearing on commerce, and to define the rules of duty and the limits of right in mercantile transactions. The history of this important science is redundant with interest. From the monuments of antiquity we have drawn some of the most important principles of commercial laws, of which the island of Rhode, in the Mediterranean Sea, is held to be the birthplace. To the Rhodian law the Roman empire referred all seafaring debates and controversies; and for 1,000 years the Mediterranean Sea—the great sea of the ancients—that is, its wonderful coasts, Carthagens and Valentia, in the south-east borders of Spain, Tunis, Italy, Greece, and Asia Minor, Cypress, Candia, and Malta—those waters which have been the thoroughfare of nations, those islands which have been the stepping-stones to civilization—all were governed by the rules of the Rhodian law. After the rending of the Roman empire, and the almost complete extinction of all laws, these Mediterranean states formed their new laws and statutes, most of which, and more especially the *Constatto del mare*, acquired a world-wide and permanent celebrity. Passing from the Mediterranean to the ocean, several ordinances have been issued in Holland and the Hanse Towns, all of which formed part of the entire body of sea-laws, properly termed “the law merchant.” As time elapsed, and with the progress of civilization and commerce, France took the lead, under the reign of Louis XIV., and under the auspices of the illustrious Colbert, in the construction of complete ordinances on commerce and shipping, which have been acknowledged and held in the highest authority. And it is to France that we owe also the first attempt at

codification, in the Code of Napoleon—a code which for its brevity, comprehensiveness, perspicuity, and lucidity of arrangement, as well as for its exact legal definitions, was at once introduced in and adopted by most of the European states. Were we able to compare the present state of the mercantile laws of the nations of Europe with the institutions which prevailed previous to the introduction of the French code, we would be in a better position to appreciate the benefits which have accrued from the Code Napoleon. The utter uncertainty which existed as to what was the law on any one specific subject; the multiplicity of statutes and ordinances; the conflicting claims of the municipal, the Roman, and the canon laws; the interminable variety of local customs, which overruled all law; and lastly, the mystery in which law itself was buried, these, and such like circumstances, rendered the introduction of the Code Napoleon a boon of invaluable importance which the European nations were not slow in recognising. But, whilst the Code Napoleon has accomplished much, it has not done all that has since become necessary. Many nations have maintained their national systems of jurisprudence. Germany never introduced codification. The Roman law still remained paramount in other states; and local customs have not been altogether extinct. The French code itself was by no means perfect; whilst, during the course of nearly fifty years since it was enacted, the development of commerce has been such as to demand a great amplification in its provisions. Such, in fact, is the present state of mercantile jurisprudence throughout Europe, that we require now a legislative measure as comprehensive as that so successfully achieved in 1807. Nor need we depart from our own shores to see the evidence of this want. What is the state of mercantile law in the United Kingdom or in the British empire? There we have three distinct systems, in England, Scotland, and Ireland, besides custom over custom, in some of the chief emporiums of trade. In the colonies and dependencies, the French, the Dutch, the Spanish, and the Italian law prevails, not less the Mussulman and the Hindoo. Is such a state consonant with the public good? A superficial consideration will convince that it is practically injurious to all interests, and that it must prove a barrier to our general progress. It is quite plain, that without reciprocity in law there cannot be perfect free trade. A common rule of recovery under mercantile contracts and obligations is in truth a necessity in the case of free trade; and, undoubtedly, foreign merchants and traders would all the more readily come into our markets and receive us in theirs, if they could be assured that their dealings were carried on, and would be perfected, under legal sanctions, identical with the principles of their own procedure. The law merchant deals with the merchant, at first, as an individual free to exercise his industry, or to employ his capital in the best way in his power. If he be a minor the law merchant secures him from fraudulent transactions. Let the merchant form a partnership, and he enters under the régime of a complete system of law, applicable to such a contract, determining the mutual rights and duties of the partners, and their liabilities towards third parties. The instruments used in commerce, such as bills of exchange, bills of lading, policies of insurance, cheques, dock-warrants, &c., are all regulated by provisions of mercantile law. As to maritime commerce, take the vessel; the mode by which that species of property may be constituted or acquired, held, exercised, transferred, or extinguished, either as a whole, exclusively of others, or partially, or jointly, along with others, as co-owners, or under limitation in favour of other parties, creating the inferior real rights of lien, hypothec, security, or mortgage. The management of the vessel by the master, pilot and crew, and the relative rights and obligations of the parties engaged in the contract of affreightment in all its shades—these, and many other commercial relations, are all reduced to distinct and precise

principles, the transgression of which may be amenable to law. No branch of law is more closely allied with morality than that relating to the relations of commerce, for, apart from those obligations resulting from statutory enactments, the substance of mercantile law consists in the legal definition of rights, arising from promises, contracts, &c. Bankruptcy procedure takes special cognisance of the dictates of commercial morals, as revealed by the causes of bankruptcy and the previous conduct of the bankrupt, and important considerations are suggested by the investigation of these causes of bankruptcy. The measure of value of credit is the character of the individual who is the recipient of it, and the nature of the operation he is engaged in. Thus, when a person is held in the highest personal estimation, and his trading is known to be solid and prudently exercised, credit is easily granted for a small consideration. What a deception, however, if in the event of bankruptcy it was shown that, besides the ordinary operations, the individual was embarked in reckless speculations! That we may be able to trace the evil to its sources—viz., to the character of the person, or to the shattered condition of his trading, to bad legislation generally, or to sudden emergencies, as monetary panic and other causes, it is important that complete records be taken of such circumstances in our bankruptcy statistics. A classification to this effect has been suggested at the late statistical congress held at Paris, to distinguish those bankruptcies which have been brought about by misfortune, by ignorance, by speculative adventures, by operations beyond the verge of ordinary trading, by waste, or by gambling. As to the administration of mercantile law, there is much to amend and to reform. The distinction made between law and equity, and its consequent difficulties in the nature and requisites of the tribunals; the want of unity in our judicial system, and the conflicting jurisdiction of many courts, produce a chaos often productive of real injury to commerce. Without advancing any definite remedy to such a state of things, it might be worthy of consideration whether, taking into consideration the essentially commercial character of the present bankruptcy courts and their but partial employment, it might not be so arranged that all questions of commercial and maritime law, which are now dealt with by the common law, equity, and Admiralty courts, should be engrafted upon the bankruptcy courts, which might be so converted into courts of commerce; and whether, taking into consideration the often-experienced incompetency of common juries, the difficulty and expense of obtaining special juries, and the necessity of mercantile customs being clearly considered in the administration of mercantile law, commercial assessors, acting as judges or otherwise, as the Masters of the Trinity House now act in the Admiralty Courts, should not be introduced into such courts of commerce, on the example of the Tribunals of Commerce, which, by universal testimony, give the highest satisfaction throughout the Continent of Europe. I shall not dilate further upon this important subject, although the means for procuring security to commerce are in the highest degree worthy of the consideration of a wise and vigilant legislature. Time does not permit us tracing the history of commerce, how, from the simplest notions of barter, it expanded into world-wide dimensions. We have simply indicated its beneficial tendencies, and assigned to it that position in the social sciences which eminently befits it. Commerce is essentially indigenous to Great Britain, and its legislation respecting it is closely watched by all countries. Let us remember that the age in which we live is one of progress. The barriers and distances which separated nation from nation are daily disappearing. Restrictive tariffs are by degrees abandoned; an unprecedented rapidity of communication, by steam and by lightning, brings into contact the productions and industries of the farthest countries, a tendency towards uniformity in money, weights, and measures, and, lastly, the

Universal Exhibition, all lead us to anticipate a future incomparably brighter than the past; and, if it be the design of Providence that this nation shall still be the leader in the wonderful destinies of the modern world, let us trust that she may be also distinguished by her practical adoption of that noble Scriptural motto, "Righteousness exalteth a nation."

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**HOW FAR BANKERS ARE RESPONSIBLE FOR PAYMENTS  
MADE UNDER AN INSTRUMENT PURPORTING TO BEAR THE  
SEAL OF A CORPORATION, BUT WHICH HAS BEEN FRAUDU-  
LENTLY AFFIXED.**

THIS novel and interesting matter lately came before the House of Lords, and received a solution, which is law for the future.

The following were the circumstances under which the action was brought. The plaintiffs below were the trustees of the charities of Joseph Evans, Esq., late of Belevan, county Kilkenny, deceased, incorporated by the statute 59 Geo. 3, c. 37 (local and personal), by which act the Dean of Ossory, the Mayor of Kilkenny, the Recorder of Kilkenny, and others, all for the time being, and their successors for the time being for ever, were constituted a body corporate under the above title. By the act, the real and personal estates of the said Joseph Evans were vested in the plaintiffs for certain charitable purposes. Amongst other property, of which the plaintiffs below were thus possessed, there were, previously to 1844, two sums of stock transferable at the Bank of Ireland, viz., £4,566 16s. 8d. of Old Three-and-a-half per Cent. Stock and Government Debentures, and £4,733 7s. 6d. of New Three-and-a-half per Cent. Annuities and Government Debentures respectively, standing in the names of the plaintiffs in the books of the defendants. By the operation of the stat. 7 Vict., c. 4, which passed in 1844, these two sums of stock were converted into a sum of £9,300 4s. 6d. Three-and-a-quarter per Cent. Annuities, likewise transferable at the Bank of Ireland. The stat. 37 Geo. III, c. 54, s. 6 (which is one of the statutes regulating the duties of the Bank of Ireland), enacts "That it shall be lawful for the governor and company of the Bank of Ireland to authorise and direct persons to keep books, wherein all assignments or transfers of the said principal sum or stock shall be entered and registered in such manner as they shall direct, and every such entry shall be signed by the person or persons making such assignment or transfer, or if such person or persons be absent, by his, her or their attorney or attorneys, thereunto lawfully authorised in writing under his, her or their hand and seal, or hands and seals, to be attested by two or more credible witnesses." During the years 1842-5, William Grace was the secretary of the plaintiffs, and during that period he forged five documents respectively bearing date 22nd Nov., 1842, 16th Jan., 1843, 15th June, 1843, 17th Nov. 1843, and, 10th June, 1845, which purported to be letters of attorney under the common seal of the plaintiffs, authorising Robert Corbett, a stockbroker of Dublin, to sell the following stock of the plaintiffs, viz., £3,000 Old Three-and-a-half per Cent. Stock, all or any of the said Old Three-and-a-half per Cent. Stock; £1,010 New Three per Cent. Annuities; £2,400 New Three-and-a-half per Cent. Annuities, and all or any of the said Three-and-a-quarter per Cent. Annuities, which was the same stock as before mentioned. The defendants below, on the production of these documents, from time to time made entries in their books, purporting to transfer the whole of the said stock of the plaintiffs below out of their names into those of other persons.



The forgeries of William Grace were discovered by the plaintiffs below in the course of the year 1846, when they dismissed him from his office of secretary, and prosecuted him to conviction for these forgeries. The plaintiffs, considering the defendants were still answerable for the stock which they had assumed to transfer under the above circumstances, and for the dividends thereon, executed a power of attorney under their common seal, dated 19th Feb., 1847, authorising Mr. Alexander Colles to receive the dividends, and sell and transfer the stock. The defendants having denied that they had any stock belonging to the plaintiffs standing in their books, refused to allow Mr. Colles to act on the power of attorney, and hence the present action.

After much discussion in the law courts in Ireland, where the judges differed, the case reached the House of Lords, who consulted the English judges, and decided as advised by them.

The following are the judgments of the Lord Chancellor and Lord Brougham, for which we are indebted to the *Law Times* :—

The Lord Chancellor said—For the reasons which had been so clearly stated on the part of all the learned judges, my opinion is, and I shall move your Lordships accordingly to act upon it, that it is clear that there ought to have been a *venire de novo*, because the direction of the very learned judge who tried the case was clearly not warranted by law. This direction was, that if the transfer was caused by such negligence as that of which evidence has been given on the part of the corporate body, then that the bank were absolved. I apprehend that there is no such principle of law. I think it has been fairly put (whether in the argument or in some case, I forget) that there must be either something that amounts to an estoppel, or something that amounts to a ratification, in order to make the negligence a good answer. Now, the case of *Young v. Grote* went upon that ground (whether correctly arrived at in point of fact is immaterial), that the plaintiff there was estopped from saying that he did not sign the cheque for £350. And if the circumstances are such, whether arising from negligence or from any other cause, that, as between the customer and his banker, the customer is estopped from saying that he did not sign the cheque for a particular amount, that, as between them, is just the same as if he had signed it. Therefore, taking that view of the facts, the case may be well sustained, and appears to have been well decided. The other doctrine, that of ratification, is well illustrated by the case of *Coles v. The Bank of England*. There the Court of Queen's Bench considered that the conduct of the owner of the stock, in subsequently signing from time to time receipts for reduced sums, when the sums had been reduced by previous forgery, was in truth a ratification of what had previously taken place. Whether I should have arrived, upon the question of fact, at the same conclusion, is a matter upon which I do not feel myself called upon to speculate. That certainly seems to me to be rather a strong result. But, coming to that result, the consequence naturally and necessarily followed, whether forgery or no forgery, that, if the party injured by the forgery chooses subsequently to ratify what has been done, then, as between him or her and the person who acts upon it, the ratification would be just as good as if it had been the previous act of the party. Upon these grounds, I conceive that the judgment which the Court of Queen's Bench in Ireland ought to have given, and which ought now to be given where the exceptions are properly on the record, is, that there should be a *venire de novo*, and I shall move your lordships accordingly.

Lord Brougham—My lords, I take exactly the same view of this case as

my noble and learned friend, and the learned judges to whose assistance we are so much indebted, and to whom we are indebted also for the speedy way in which they have enabled us to dispose of this case. I confess it was a result that I expected from a very early period of this argument. I had little or no doubt in my own mind of the conclusion at which the learned judges would arrive. Upon the two cases that have been referred to by the learned judges, and by my noble and learned friend, of *Young v. Grote*, and the other somewhat doubtful case of *Coles v. The Bank of England*, I say no more, except that I agree in what the learned judges have said upon them, and also in the doubt insinuated rather than expressed by the learned judges, and more plainly intimated by my noble and learned friend, as to how the latter case might have been determined, if it had not been disposed of in the way in which it was.

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## Legal Miscellany.

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NORTHERN CIRCUIT, LIVERPOOL, AUG. 25.

(Civil Court, before MR. JUSTICE CROWDER and a Special Jury.)

SMITH v. FRY AND ANOTHER.

MR. EDWARD JAMES, Q.C., and Mr. Quain appeared for the plaintiff; Mr. Hugh Mill, Q.C., and Mr. Millward appeared for the defendants.

The action was brought by the plaintiff, as the public officer of the Liverpool and Manchester District Banking Company, against the defendants, Messrs. Fry and Company, warehousekeepers, of Liverpool, to recover the value of certain chests of tea. From the statement of the learned counsel, it appeared that a teadealer in Liverpool, of the name of Prescott, had obtained an advance from the District Bank, for which he lodged with them, by way of collateral security, certain documents entitled "Delivery Orders," for the teas in question; and the point now raised, a very important one, affecting persons engaged in the tea trade, was, whether the actual property in the teas passed to the bank by the mere deposit of the "delivery orders."

The "orders" were (in form) addressed by Prescott to the defendants (with whom the teas were warehoused), directing them to deliver "to the bearer" the several teas named in the orders; and the practice was that the defendants, upon having these orders presented to them, wrote their names across them, or "accepted" them, as it is termed, and in that shape they were deposited with the bank by Prescott; and the plaintiff insisted that this acceptance deprived the defendants of setting up any claim to the teas upon their part, and, moreover, that the defendants, having so written their names upon the orders, could not refuse to deliver the teas to the bearer of those orders, whoever he might be.

The defendants, on the other hand, who claimed a lien on the teas for advances made by them to Prescott, contended that the actual property in the teas did not pass until the order was lodged with them, and a transfer duly made on their books in favour of the party presenting the order.

The evidence, however, of several teabrokers was so completely in favour of the usage contended for by the plaintiff, that the defendants finally submitted to a verdict for the plaintiff for the value of the teas, to be reduced to a nominal amount upon the teas being delivered up by the defendants.

*Court of Bankruptcy, Basinghall-street, October 12th. (Before Mr. Commissioner HOLROYD.)*

IN RE C. J. MARE.

THIS was a meeting for the choice of assignees under the bankruptcy of Charles John Mare, shipbuilder, of Orchard-yard, Blackwall. There was large attendance of creditors.

Mr. Linklater appeared for the bankrupt.

Proofs to the amount of £50,000, chiefly on tradesmen's bills and banking accounts, were taken in the course of the day. The following gentlemen were chosen trade assignees:—Mr. P. Rolt, M.P. for Greenwich; Mr. Mark Hunter, of the Commercial Bank; and Mr. Samuel Turner, merchant, of Shadwell. Mr. Lee is the official assignee under the bankruptcy; and Messrs. Lawrance, Plews, and Boyer the solicitors.

The unsecured debts are estimated at £160,000; total liabilities about £400,000. The assets cannot yet be correctly estimated. The business is being carried on under the direction of the official assignee.

*Court of Bankruptcy, Basinghall-street, October 25. (Before Mr. Commissioner EVANS.)*

IN RE STRAHAN, PAUL, AND CO.—PROOFS OF THE GLASGOW INSURANCE COMPANY AND THE EDINBURGH LIFE ASSURANCE COMPANY.—JUDGMENT.

THE arguments in these cases have already been fully published. The City of Glasgow Insurance Company sought to prove for £13,500, balance of £20,000 advanced to Messrs. Gandell under the guarantee of the bankrupts; the Edinburgh Life Assurance Company for £10,010, balance of £2,000 advanced to Messrs. Gandell, also under the guarantee of the bankrupts. Messrs. Gandell have recently become bankrupts in Paris.

His Honour now said,—I have very much considered these cases, and I have carefully perused the numerous authorities, but these cases appear to me to be merely cases of guarantees. I do not feel it necessary to remark on the cases cited. I consider the case of "*Ex parte Willes*," 4 *Eschequer Reports*, 530, as decisive on the matter. This case, as it appears to me, is not questioned by the cases cited, consequently the parties must be admitted to prove for the amount of instalments now due, and to enter claims as to the contingent debts.

Mr. Lawrance—I presume, your honour, that your decision applies to both cases?

His Honour replied in the affirmative.

## IRISH AGRICULTURAL STATISTICS FOR 1855.

AN abstract of the returns of the agricultural statistics of Ireland, ordered by Government, has just been completed, and exhibits the extent of land in statute acres under crops in this country for each county and province in 1854 and 1855. That for the latter year has been compiled from returns lately received from the several enumerators, and which may hereafter be altered in some degree upon further revision, but it is not apprehended that any material change will be found necessary. The general abstract is as follows:—

ABSTRACT OF CEREAL CROPS.						
			1854. Acres.	1855. Acres.	Increase. Acres.	Decrease. Acres.
Wheat	...	...	411,284	445,509	34,225	—
Oats	...	...	2,045,298	2,117,955	72,657	—
Barley, bere, rye, &c.	...	...	287,154	267,565	—	19,589
Total	...	...	2,743,736	2,831,029	106,882	19,589
Increase of Cereal Crops				87,293 Acres.		

ABSTRACT OF GREEN CROPS.						
			1854. Acres.	1855. Acres.	Increase. Acres.	Decrease. Acres.
Potatoes	...	...	989,660	981,529	—	8,131
Turnips	...	...	329,170	366,497	37,327	—
Other green crops*	...	...	98,777	95,094	—	3,683
Total	...	...	1,417,607	1,443,120	37,327	11,614
Increase on green crops				25,513.		

GENERAL SUMMARY.						
Increase on cereal crops	...	...	...	...	...	Acres. 87,293
„ on green crops	...	...	...	...	...	25,513
„ on meadow and clover	...	...	...	...	...	53,873
						166,679
Deduct decrease on flax	...	...	...	...	...	54,297

Total increase in the extent of land under crops ... .. 112,382  
 Total extent in statute acres of cereal and green crops grown in Ireland  
 in 1852, 1853, 1854, and 1855 :—

	Wheat. Acres.	Oats. Acres.	Barley, Bere, Rye, Beans, and Acres.	Potatoes. Acres.
1852 .....	353,566	2,283,449	309,591	876,532
1853 .....	320,896	2,175,849	348,642	998,738
1854 .....	414,284	2,045,298	287,154	989,660
1855 .....	445,509	2,117,955	267,565	981,529
	Turnips. Acres.	Other Green Crops. Acres.	Flax. Acres.	Meadow and Clover. Acres.
1852 .....	356,790	121,565	137,006	1,270,713
1853 .....	399,377	120,133	174,979	1,270,742
1854 .....	329,170	98,777	151,403	1,257,864
1855 .....	366,497	95,094	97,106	1,411,737

The returns from which the foregoing table was compiled have been collected, as in former years, by the efficient aid of the constabulary and metropolitan police. Tables for 1855, classified by holdings, for each county and barony, are now in course of preparation.

The returns for 1855 have not yet been received from portions of the following constabulary districts—viz., Killarney, Tralee, Naas, and Coleraine. As to them, the extent of land under each description of crop for this year has been estimated from the returns of 1854, taking into the calculation the changes in the crops which are found to have occurred in the other districts of the counties of Kerry, Kildare, and Londonderry.

\* Mangel-wurzel, beet-root, carrots, parsnips, cabbage, vetches, and rape, are included under this head.



they may, perhaps, have the effect of inducing shareholders, either to impress upon their several directorates, the absolute necessity of turning their attention to a more economical course of proceeding, or of placing their affairs in more competent hands. It is not our intention to point out the errors in the management of any particular line, as our remarks will be of a general character, and it is to be regretted that there are but few of the numerous companies to which they will not be applicable.

The primary cause to which the deterioration in the value of railway property is to be ascribed, may be traced to the same agency that has destroyed thousands, viz., a reckless expenditure of capital and means, in the delusive hope of improving their condition, till at length, being fully convinced from circumstances too powerful to contend against, that the end did not justify the means, have found themselves irretrievably ruined. As in the case of private individuals, and small establishments, so, eventually, it will be with these leviathan undertakings. Unless a more economising system is speedily adopted, dividends, which are gradually declining, may be expected to cease altogether. The extravagant expenditure carried on by nearly all the principal railways in the kingdom, has been sufficient to stagger the most incredulous observer, not cognizant of the mysterious movements of a board of directors—a body of men who, in many instances, would appear to have been selected apparently for their very unfitness for the duties to which they are appointed. Men of business are passed by for the mere sake of placing on the list of directors private gentlemen, and as many M.P.'s as possible, the latter doubtless with a view of using their influence in the legislature, to the passing of the numerous acts of Parliament for which the existing companies are so constantly applying, and which is another of the great evils of the present system. It is undoubtedly true, that in the directorates of all railway companies, some men of high commercial standing are to be found, but still the leaven of aristocracy is too great to carry out in an efficient manner, the working of such gigantic projects. This system is more particularly adopted with respect to the English lines—where we find the most serious deterioration in the property, but in the management of the Scotch lines, it is not carried out to nearly so great an extent, and to this no doubt is mainly to be attributed their increased dividends—our Scotch neighbours, having a better eye to business, are far more particular in their choice of directors, than the English, as will be immediately seen by a comparison of the various lists. Another great evil in our present system is the large number of persons forming the directorate. It is presumed that “in a multitude of counsellors there is wisdom;” but this, like everything else, has its limits, and if, in the majority of instances, the present boards of directors were reduced by about one-half, there is but little doubt we should find things work much better. There would be fewer adverse powers to contend against, and the real interests of the shareholders would be proportionably increased. Again, we find that year after year, the same names compose the lists of directors—we rarely see any change, unless a vacancy is created by a death, or the resignation of some old directors through private piques, or a misunder-

standing with some of their colleagues. This system also requires amendment. It is admitted that by rotation a very small portion of the directors retire annually, but they are almost invariably re-elected. It may be said that this is the act of the shareholders themselves, and if they choose to retain the services of their old servants, it is their own affair. Why interfere? We answer, simply because we wish to point out an evil, in order that it may be remedied in future. Let it then be compulsory—say for one-third or one-fourth of the directors to retire annually, and not be eligible for re-election for two or three years—this would be the only means of infusing a sufficient portion of “new blood” into the old bodies, a system which has been found to work most beneficially in other institutions where it has been adopted. It is almost invariably the case where the same body of men have for a long period conducted any establishment, be it public or private, that abuses have crept in, and are generally continued till fresh men are introduced, when the corrupt system at once becomes apparent, and the spirit of modern progress gives new life and vigour to the enterprise.

Another of the great evils connected with our railway system is, the desire of aggrandisement manifested by the directors of all the main lines, and to this also must be attributed the falling off to a considerable extent of the dividends. Most of the principal lines have at one time or another paid very fair dividends, and there is but little doubt they would have continued to do so under proper and economical management, but by a fatuity that is difficult to be understood, branch lines have been started in every conceivable direction, entailing an enormous outlay, and have ended, as most people of common sense would have anticipated, in exhausting the vital principle of the parent line, and thus rendering the whole nothing but a warning and a beacon to others as an existing proof how speedily, by mismanagement, the fairest prospects may be blighted and the most sanguine hopes destroyed. Another system, equally destructive to the interests of the shareholders, has also within the last few years sprung up—the purchasing and leasing of unprofitable connections. It appears that the moment any short line is contemplated, should it approach anywhere near one of the main lines, the cupidity of the directors is excited, and forthwith to Parliament they rush and, at an enormous expense, oppose the granting of the necessary act, and should they be unsuccessful in that course, negotiations for the purchase of the branch line are forthwith commenced—in most instances the negotiations are successful, and, whether the new branch ever had or had not a prospect of paying, the poor shareholders are saddled with all the expenses. It is beyond question that many of these branches which are now the property of the various main lines were introduced with utter recklessness on the part of the proposers, as to whether the works would ever be carried out, or if they were, whether they were likely to pay. This is evident from the patent fact, that the great majority of these branch lines—whether originated by the companies themselves to which they now belong, or by other parties—are losing concerns; and, consequently, by the losses sustained in their working, by just so much are the profits of the trunk lines dimi-

nished. It may be said that these proceedings are sanctioned by the proprietors. Admitted; but it is through the directors that their sanction is given. It is well known, to those who have ever attended a railway meeting when questions of this sort are discussed, that the power of the directors in the majority of cases is supreme. They tell their constituents that it is absolutely necessary, that such and such purchases should be made, or that such lines should be carried out, and more frequently than not, in consequence of the faith which is reposed in them—as they are presumed from their office to be better acquainted with the true position of affairs—the proposition is sanctioned without opposition. Should, however, any serious objection be offered to their request, the directors have been known to threaten they would resign their office, and this has generally had the desired effect. It is, under these circumstances, of the utmost importance to the shareholders themselves that they should be fully made acquainted with the position in which they are placed, and in all future proceedings take such steps as may be most conducive to their own interests.

Again, a protest should be entered against the unbounded extravagance exhibited in the rearing up what can be termed little short of palaces, at the various termini, to be used as hotels or taverns, and which there is too much reason to fear will prove ruinous speculations. Few who have seen the immense buildings recently completed by the London and North Western, the Great Western, and the Great Northern companies, can have any doubt as to the result. Hitherto, our private hotels and lodging houses have proved quite sufficient for the accommodation of all travellers, and the attempt of these powerful companies to combine with their carrying-business that of tavern keepers, seems like an endeavour to outvie each other, and is a spirit of rivalry anything but commendable. The capital invested in these "palaces" is of course sunk, but that is not all, for, as a matter of course, there must be a continual drain upon the resources of the respective companies to maintain them. The same remarks will apply to the vast outlay expended on the various stations, not only at the respective termini, but also at a majority of the stations along the lines. Such splendid and costly edifices are quite unnecessary. All that is required is, that the buildings should be ample for the accommodation, for a few minutes, of the passengers arriving at or taking their departures, and the requisite staff for working the stations. There are many minor details on which a vast saving might be effected, and which would present themselves to the notice of those interested, would they only take a little trouble to investigate for themselves. It will be for their own interest that they should do so; and, if they neglect it, they will have only themselves to blame, if they do not hereafter find their dividends forthcoming.

In thus freely pointing out what we believe to be the chief causes of the present deteriorated value of railway property, we trust we have said sufficient to direct the attention of the proper authorities to the subject, and that something in the shape of "administrative reform" may be speedily adopted.



The subjoined is a synopsis of the financial state of the principal English, Scotch and Irish railways for the half-year ending at Midsummer last, compared with the corresponding period in the year 1854 :—

#### ENGLISH LINES.

LONDON AND NORTH WESTERN.—The total receipts of this company, for the half-year ending the 30th June last, were 1,467,552*l.*, against 1,495,159*l.* in the corresponding half-year of 1854. The expenditure in the present year, amounted to 931,487*l.*, against 908,249*l.* last year. Out of the profits this year, 529,115*l.* has been appropriated to the dividend, carrying over to the next account 6,950*l.* last year 545,712*l.* was appropriated to the dividend, and 41,198*l.* carried over. This year the dividend was at the rate of 4½ per cent. per annum, last year it was 5 per cent. The number of miles yielding traffic and maintained at both periods, was 562. The total capital of the company at the present time is 33,472,480*l.*, last year it was 32,399,072*l.*

GREAT WESTERN.—The capital of this company in 1854, was 20,152,624*l.*, and in the present year it is 21,979,786*l.* The total receipts, during the past half-year were 666,378*l.*, against 651,897*l.*, and the expenditure at these respective periods, was 576,679*l.* and 513,823*l.* The sum of 82,363*l.* was appropriated to the dividend this year, which was only at the rate of 2 per cent., leaving a balance of 7,336*l.*, whilst in 1854 a dividend at the rate of 3 per cent. was paid out of 123,544*l.*, carrying over a balance of 14,530*l.* The number of miles of railway in work was 348 in 1855, and 319 in 1854.

GREAT NORTHERN.—This company last year paid a dividend at the rate of 2½ per cent. per annum, but this year it was only 2¼ per cent., the number of working miles being at the former period 409, and at the latter, 403. The total capital has been increased during the year, from 10,430,111*l.*, to 10,994,903*l.* The total receipts in 1855 reached 517,194*l.*, and only 478,377*l.* in 1854, against an expenditure in the same period of 462,446*l.*, and 411,063*l.* This year 54,095*l.* was applied to the payment of dividends, leaving a balance of 653*l.*, the balance last year, was 1,198*l.*, after taking 66,116*l.* for the payment of dividends.

LONDON AND BRIGHTON.—The total capital of this company last year, was 7,439,615*l.*, the receipts were 321,451*l.*, and the expenditure, 214,982*l.* Out of 106,160*l.*, a dividend at the rate of 4 3-5ths per annum was paid, leaving a balance of 309*l.* This year the capital has been augmented to 7,741,115*l.*, the receipts have decreased to 310,867*l.*, and the expenditure to 213,215*l.* To the next account, 724*l.* has been carried forward, after paying a dividend at the rate of 4 1-5th per cent., amounting to 96,928*l.* At both periods, 174 miles of rails were worked.

SOUTH EASTERN.—This company's dividend both for the past and the present year, has been at the rate of 2 5-11ths per cent. per annum, which amounts to 105,310*l.* for each division; last year the balance left was 6,904*l.*, and in the present year only 501*l.* There has been an increase in the capital from 10,596,314*l.* to 10,854,675*l.* The receipts show an increase in the present year, from 442,795*l.* to 464,147*l.*, and the expenditure an increase from 330,581*l.*, to 358,336*l.* At both periods the number of miles opened for traffic was 288.

LONDON AND SOUTH WESTERN.—The capital of this company has been increased during the year, from 9,189,889*l.* to 9,479,754*l.* The receipts have increased from 356,298*l.* to 372,936*l.*, and the expenditure from 212,300*l.* to 223,474*l.* The dividend has also been augmented from 4¼ to 4½ per cent. per

annum, and the length of lines worked has also been increased from 251½ to 268½. Last year 143,755*l.* was taken from the profits to liquidate the dividends, leaving a balance of 243*l.* The balance for the present year was 787*l.*, after dividing 148,675*l.*

**LONDON AND BLACKWALL.**—In 1854, the capital was 1,543,900*l.*, and in 1855 it was 1,601,300*l.* In the former year the receipts were 38,859*l.*, and the expenditure 19,338*l.*; in the latter, the receipts were 35,707*l.*, and the expenditure 20,587*l.* The gross amount of dividends in the past year was 18,582*l.*, being at the rate of 3*s.* 3*d.* per share, and, in the present year, it was 15,005*l.*, or at the rate of 2*s.* 9*d.* per share. The balances carried forward were 939*l.*, and 115*l.*, respectively. Length of line 5½ miles.

**EASTERN COUNTIES.**—The total receipts of this company were in 1854 560,493*l.*, and in the present year 606,251*l.*; the expenditure in the same periods having been 502,912*l.*, and 540,878*l.* In the past year 51,019*l.* was taken to pay a dividend at the rate of 1½ per cent. per annum, carrying over 6,562*l.*; and, in the present year, the dividend was at the rate of 2½ per cent. per annum, which absorbed 65,628*l.*, leaving a balance of 1,745*l.* The capital of the company has been increased during the year from 10,416,157*l.* to 10,840,203*l.* The number of miles of railway at work has also been increased from 540 to 565.

**NORTH LONDON.**—The capital in 1854 was 1,198,655*l.*, the receipts 51,976*l.*, the expenditure 32,482*l.*, and the dividends at the rate of 5 per cent. per annum, carrying over a balance of 104*l.* In the present year, the capital has increased to 1,277,570*l.*, the receipts were 54,784*l.*, and the expenditure 36,621*l.* The dividend was reduced to the rate of 4 per cent. per annum, and the balance to the next account was 252*l.* Miles of rail in 1854, 8½, and in 1855, 9.

**NORTH AND SOUTH WESTERN JUNCTION.**—The capital of this company has been increased during the year from 69,000*l.* to 78,550*l.*, the receipts from 1,629*l.* to 2,194*l.*; the expenditure from 1,092*l.* to 1,222*l.*, and the dividend from 2 to 3 per cent. per annum. The balance carried forward last year after payment of the dividend, was 38*l.*; in the present year it was 105*l.* Length of traffic 4 miles.

**BRISTOL AND EXETER.**—The total capital in 1854 was 3,539,735*l.*, and in 1855, 3,709,645*l.*; the receipts in the same periods were 156,041*l.*, and 166,073*l.*; the expenditure was 106,938*l.*, and 119,595*l.*, respectively. There has been a uniform dividend at the rate of 4½ per cent. per annum, carrying over in 1854 4,103*l.*, and in 1855 1,478*l.* There has been an increase in the mileage from 112 to 122½.

**BIRKENHEAD, LANCASHIRE, AND CHESHIRE JUNCTION.**—This company's capital has been increased during the year from 2,188,118*l.* to 2,256,598*l.* The revenue receipts have increased from 70,316*l.* to 62,090*l.*; whilst the expenditure has increased from 48,689*l.* to 49,320*l.* The dividend from the rate of 2½ per cent. per annum, has been reduced to 1½ per cent. The balance carried over in 1854 was 1,054*l.*, and in the present year it was 1,015*l.* The amounts appropriated to the respective dividends, were 20,573*l.*, and 11,755*l.* Miles of railway 32.

**BLACKBURN.**—This company has not paid any dividend. The present amount of capital is 1,048,896*l.*; last year it was 1,038,054*l.* The receipts have increased during the year from 22,380*l.* to 26,729*l.*, and the expenditure from 19,640*l.* to 20,632*l.* Miles of line open 26.

**CHESTER AND HOLYHEAD.**—There has been no dividend declared by this com-

pany; the receipts, however, have increased during the year from 100,046*l.* to 118,347*l.*, and the expenditure from 98,817*l.* to 117,429*l.* The capital has also been increased from 4,597,560*l.* to 4,610,540*l.* Length of railway 104 miles.

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**EASTERN UNION.**—This company did not pay any dividend last year, but at the late meeting, a dividend at the rate of  $\frac{3}{4}$  per cent. per annum, was declared. The capital has been increased during the year from 2,566,558*l.* to 2,608,184*l.* The receipts have decreased from 56,640*l.* to 40,425*l.*, and the expenditure from 88,470*l.* to 37,818*l.* This line is now amalgamated with the Eastern Counties.

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**EAST ANGLIAN.**—This line is also amalgamated with the Eastern Counties. The capital has been increased during the year from 1,536,833*l.* to 1,542,898*l.* The receipts show an increase from 11,753*l.* to 12,677*l.* and the expenditure from 11,727*l.* to 12,667*l.*

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**EAST LANCASHIRE.**—The receipts of this company have increased from 198,414 to 206,518*l.*, and the expenditure from 97,642*l.* to 108,602*l.* The dividend has been uniformly at the rate of  $3\frac{1}{4}$  per cent. per annum; last year, the balance carried to the next half-year and the reserve fund was 61,901*l.*, and in the present year it was only 59,045*l.* The capital at present is 3,869,273*l.*, last year it was 3,766,664*l.*

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**FURNESS.**—The capital last year was 847,213*l.*, this year it is 428,188*l.* The receipts show an increase from 21,741*l.* to 25,949*l.*, and the expenditure from 13,798*l.* to 16,490*l.* The rate of dividend, both for the past and the present year has been at the rate of 6 per cent., with a balance of 2,695*l.* and 4,209*l.* respectively. Length of line  $18\frac{1}{2}$  miles.

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**KENDAL AND WINDERMERE.**—Capital, in 1854, 208,190*l.*; in 1855, 210,060*l.* The receipts have decreased from 8,589*l.* to 7,039*l.*; but the expenditure has increased from 4,727*l.* to 4,781*l.* The dividend has also declined from 2 to 1 per cent.; last year the balance carried forward was 2,778*l.*, this year it was only 1,700*l.*

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**LANCASTER AND CARLISLE.**—The increase of capital during the year has been from 1,513,385*l.* to 1,587,244*l.* There has been a decrease in the receipts from 104,838*l.* to 96,462*l.* The expenditure has also decreased from 50,171*l.* to 47,547*l.* dividend last year was after the rate of 8 per cent., but this year it has been reduced to 7 per cent.

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**LANCASTER AND PRESTON.**—This company's dividend last year was at the rate of  $10\frac{1}{4}$  per cent., but it was reduced at the last meeting to  $8\frac{3}{8}$  per cent.; the receipts showing a falling off from 52,378*l.* to 50,442*l.*, and the expenditure an increase from 28,620*l.* to 25,498*l.*

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**LANCASHIRE AND YORKSHIRE.**—This company have increased their dividend this year from after the rate of  $3\frac{1}{4}$  to 4 per cent. The balance carried over last year was 13,590*l.* and this year it was 14,995*l.* The capital shows an increase from 12,118,394*l.* to 12,531,427*l.* The receipts present an increase from 489,436*l.* to 513,075*l.*, and the expenditure a decrease from 329,580*l.* to 328,455*l.* The length of working railway shows an increase from 207 to 224 miles.

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**LYNN VALLEY.**—This dividend has declined from 5 to 4 per cent., the receipts exhibiting a falling off from 4,664*l.* to 4,070*l.*, and the expenditure from 2,800*l.* to 2,405*l.* The balance carried forward in 1854 was 128*l.* and in the present year 288*l.*

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**MANCHESTER, SHEFFIELD, AND LINCOLNSHIRE.**—The capital of this company has been increased during the year from 7,996,987*l.* to 8,178,776*l.* The receipts in 1854 and 1855 respectively were 254,595*l.* and 262,410*l.*, and the expenditure 251,858*l.* and 261,721*l.* There have been no dividends declared. The balance carried over in 1854 was 2,737*l.* and in 1855 689*l.*

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**MARTFORD AND CARLISLE.**—The receipts in 1854 were 22,342, the expenditure 18,779*l.*, and the rate of dividend 3 per cent. In the present year, the receipts were 22,851*l.*, the expenditure 19,210*l.*, and the dividend again at the rate of 3 per cent.

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**MIDLAND.**—The capital of this company shows an increase in the year from 14,827,096*l.* to 15,538,971*l.*; the receipts from 727,767*l.* to 750,160*l.*; the expenditure from 549,166*l.* to 574,182*l.* The balances carried over show a decrease from 10,432*l.* to 5,809*l.* The dividend was at the rate of 3½ per cent. in both instances. Length of lines 497 miles.

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**MONKLAND.**—The dividend in 1854 was at the rate of 4½ per cent. per annum; this year it was at the rate of 5½ per cent. The balances carried over in 1854 and 1855, respectively were 5,985*l.* and 7,396*l.*

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**NORFOLK.**—The dividend this year was at the rate of 2½ per cent. per annum; last year it was only 2 per cent. The receipts show an increase from 38,941*l.* to 41,391*l.*, and the expenditure a decrease from 28,720*l.* to 28,407*l.*

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**NORTH-EASTERN (BERWICK).**—The dividend in 1854 was at the rate of 8½ per cent.; in 1855 it was 3½ per cent. The receipts were 448,377*l.* and 451,207*l.* respectively, and the expenditure for the same period 328,944*l.* and 340,485*l.* The balance carried forward in 1854 was 4,490*l.*, and in 1855 3,022*l.*

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**NORTH-EASTERN (YORK).**—In 1854, the dividend was at the rate of 2½ per cent. per annum, and for the present year it was at the rate of 2 per cent. The receipts in 1854 were 255,459*l.*; in 1855 258,730*l.* In the same periods, the expenditure was 218,154*l.* and 224,481*l.*

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**NORTH-EASTERN (LEEDS).**—The receipts for 1854 were 80,014*l.*, and the expenditure 64,508*l.*; for 1855 they were 101,132*l.* and 66,624*l.* There were no dividends declared on the ordinary capital; but in 1854 there was a balance carried forward of 15,506*l.*, and in 1855 of 34,508*l.*

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**NORTH STAFFORDSHIRE.**—The capital of this company has increased during the year from 5,088,948*l.* to 5,112,548*l.* The receipts show an increase from 147,222*l.* to 165,720*l.*, and the expenditure from 161,020*l.* to 179,518*l.* Last year there was a dividend at the rate of 3½ per cent. per annum; this year there was not any dividend declared, but a balance was carried forward to the next half-year, and to the reserve fund, of 68,454*l.* The length of lines is 121 miles.

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**NORTH-WESTERN.**—This line, which is worked by the Midland Company, pays a dividend at the rate of ¾ per cent. per annum. In 1854, the receipts were 24,037*l.*, and the expenditure 20,880*l.* In 1855, the receipts were 24,645*l.*, and the expenditure 21,008*l.*

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**OXFORD, WORCESTER, AND WOLVERHAMPTON.**—Capital in 1854, 8,386,624*l.*; in 1855, 8,106,377*l.* Receipts in 1854, 78,511*l.*; expenditure, 71,120*l.*; balance carried

forward, 1,391*l*. In 1855, the receipts were 52,574*l*., the expenditure 33,391*l*. and the balance carried forward 373*l*. No dividend.

**SOUTH DEVON.**—Capital in 1854, 2,036,992*l*.; receipts, 56,998*l*.; expenditure, 50,835*l*.; dividend at the rate of  $1\frac{1}{2}$  per cent. per annum. In 1855, the capital was 2,083,987*l*., the receipts 60,224*l*.; the expenditure 54,773*l*., and the dividend the same as before.

**SOUTH WALES.**—Capital in 1854, 3,827,216*l*.; receipts, 133,149*l*.; expenditure, 108,030*l*.; dividend, *nil*; balance carried forward, 27,119*l*. In 1855, the capital was 3,911,007*l*., the receipts 162,049*l*., the expenditure 120,181*l*.; dividend at the rate of 3 per cent. per annum, with a balance of 5,141*l*. carried forward: length of line, 162 miles.

**SOUTH YORKSHIRE.**—Capital in 1854, 1,402,380*l*.; receipts, 62,507*l*.; expenditure, 37,202*l*.; dividend at the rate of 4 per cent. per annum, with a balance of 15,720*l*. carried forward. The capital in 1855 was 1,544,836*l*.; receipts, 48,113*l*.; expenditure, 43,991*l*.; and a dividend at the rate of  $1\frac{1}{2}$  per cent., the balance carried forward being 355*l*.

**ST. HELEN'S.**—The dividend last year was at the rate of  $\frac{1}{2}$  per cent. per annum, but this year there was no dividend declared. The receipts were 30,373*l*. in 1854, against 32,576*l*. in 1855; and the expenditure was 29,436*l*., against 32,492*l*.

**STOCKTON AND DARLINGTON.**—The capital of this company in 1854 was 1,152,994*l*. the receipts 143,075*l*., the expenditure 109,939*l*., and the dividend at the rate of  $7\frac{1}{2}$  per cent., with a balance carried forward of 19,468*l*. In the present year, the capital was 1,381,392*l*., the receipts 169,046*l*., the expenditure 121,008*l*., and the dividend at the rate of 9 per cent., with a balance carried to the next account of 28,450*l*.

**TAFF VALE.**—The dividend, both for the past and the present year, was at the rate of  $7\frac{1}{2}$  per cent. per annum. The receipts show an increase from 85,457*l*. to 90,522*l*.; and the expenditure from 60,157*l*. to 67,508*l*. The capital also shows an increase from 1,016,741*l*. to 1,032,006*l*.

**VALE OF NEATH.**—The dividend in 1854 was at the rate of 3 per cent., and for the present year at  $3\frac{3}{4}$  per cent. The receipts show an increase from 21,479*l*. to 26,828*l*., and the expenditure from 10,806*l*. to 15,992*l*.

**WHITEHAVEN JUNCTION.**—The dividend of this company has decreased from 4 per cent. in 1854 to 3 per cent. in the present year. The increase in the receipts has been from 8,155*l*. to 9,326*l*., and in the expenditure from 5,715*l*. to 7,007*l*.

#### SCOTCH LINES.

**ABERDEEN.**—The Company's capital in 1854 was 1,755,837*l*.,—the receipts 55,197*l*. The expenditure, 52,934*l*. In 1855 the capital was 1,785,018*l*.,—the receipts 57,244*l*., and the expenditure 54,692*l*. Dividends *nil*. Length of line 72 miles.

**CALEDONIAN.**—Capital in 1854 6,005,333*l*., Receipts, 280,615*l*. Expenditure, 238,986*l*. Dividend at the rate of 3 per cent. per annum. In 1855, the capital

was 6,092,178*l*. Receipts, 295,518*l*. Expenditure, 248,843*l*., and the dividend as before. Length of line 202 miles.

DUMBARTONSHIRE.—The dividend last year was at the rate of  $3\frac{1}{4}$  per cent. per annum, and for the present year it was increased to 4 per cent.

DUNDEE AND ARBROATH.—The dividend in 1854 was at the rate of  $3\frac{1}{4}$  per cent. per annum—for 1855, it was reduced to 3 per cent. The receipts show a falling off from 15,084*l*. to 13,170*l*.

EDINBURGH AND GLASGOW.—The capital in 1854 was 3,257,941*l*.,—the receipts, 193,376*l*.; the expenditure, 99,401*l*., and the dividend at the rate of 3 per cent. In 1855 the capital was 3,342,970*l*.; the receipts, 200,820*l*.; the expenditure, 106,925*l*., and the dividend at the rate of 2 per cent. The balance carried over in 1854 was 60,624*l*. and in 1855, 71,661*l*.

EDINBURGH, PERTH AND DUNDEE.—In 1854 the capital was 3,153,041*l*.,—the receipts, 76,144*l*.; the expenditure, 75,728*l*.; and the balance, 416*l*. In 1855, the capital was 3,231,565*l*.; the receipts, 79,352*l*.; the expenditure, 78,173*l*., and the balance carried forward, 1,179*l*. Dividend *nil*. Length of line 78 miles.

GLASGOW AND SOUTH WESTERN.—Capital in 1854, 4,011,275*l*.; receipts, 138,846*l*., expenditure, 83,191*l*. Dividend at the rate of  $3\frac{1}{4}$  per cent. In 1855, capital 4,147,770*l*.; receipts, 152,315*l*.; expenditure, 95,712*l*., and dividend at the rate of  $3\frac{1}{2}$  per cent.

NORTH BRITISH.—Capital in 1854, 4,466,355*l*.; receipts, 117,602*l*.; expenditure, 113,333*l*. In 1855, the capital reached 4,471,123*l*.; the receipts, 127,858*l*.; the expenditure, 127,858*l*. Dividend *nil*. Length of rail 149 miles.

SCOTTISH CENTRAL.—Capital in 1854, 1,590,397*l*.; receipts, 68,319*l*.; expenditure, 38,169*l*. Dividends at the rate of  $4\frac{1}{4}$  per cent. per annum, with a balance carried forward of 7,200*l*. In 1855 the capital was 1,590,227*l*.; the receipts, 66,273*l*.; the expenditure, 40,376*l*., and the dividend at the rate of 5 per cent. per annum, with an available balance of 397*l*.

SCOTTISH MIDLAND.—The dividends declared by this Company were in 1854 at the rate of  $2\frac{3}{4}$  per cent., and in 1855 at  $3\frac{1}{4}$  per cent., in the former year the balance carried forward was 3,456*l*., and in the latter 5,948*l*.

#### IRISH LINES.

BELFAST AND COUNTY DOWN.—The dividends declared by this company have been for 1854 at the rate of  $2\frac{1}{2}$  per cent., and for 1855 at  $2\frac{1}{2}$  per cent., with a balance carried over in the former year of 2,740*l*., and in the latter of 9,851*l*.

BELFAST AND BALLYMENA.—The dividends for both 1854 and 1855 were at the rate of 4 per cent. per annum; in the former year the available balance was 10,624*l*., in the latter 11,523*l*.

DUBLIN AND BELFAST.—The capital in 1854 was 981,614*l*.; the receipts, 89,421*l*.; the expenditure, 13,564*l*.; and the available balance, 6,588*l*. In 1855 the capital was 1,005,942*l*.; the receipts, 41,067*l*.; the expenditure, 16,703*l*.;

and the balance carried forward, 4,914*l*. In both instances the dividend was at the rate of 5 per cent. per annum.

**DUBLIN AND DROGHEDA.**—This company have paid a uniform dividend of 4 per cent. The receipts in 1854 being 85,717*l*., and in 1855, 87,112*l*. The expenditure in the same periods were 22,892*l*. and 24,679*l*.

**DUNDALK AND ENNISKELEN.**—The dividends paid here have been at the rate of 3 per cent. per annum.

**GREAT SOUTHERN AND WESTERN.**—The capital of this company in 1854 was 4,012,087*l*.; the receipts were 144,270*l*.; the expenditure, 93,222*l*.; and the dividend at the rate of 4 per cent., with a balance carried forward of 1,048*l*. In 1855 the capital was 4,132,704*l*.; the receipts, 161,921*l*.; the expenditure, 96,308*l*.; and the dividend at the rate 5 per cent., with an available balance of 8,113*l*.

**MIDLAND GREAT WESTERN.**—This company's capital in 1854 was 1,593,630; the receipts, 65,656*l*.; the expenditure, 36,282*l*.; and the dividend at the rate of 5 per cent per annum, with a balance of 6,477*l*. In the present year the capital was 1,548,140*l*.; the receipts, 72,031*l*.; the expenditure, 38,397*l*.; the dividend the same as in the previous year, with a balance carried over of 8,847*l*.

**WATER.**—The capital of this company in 1854 was 713,856*l*.; the receipts, 43,801*l*.; the expenditure, 22,348*l*.; the dividend was at the rate of 5*½* per cent., and the balance carried over, 6,657*l*. In 1855 the capital had undergone no alteration; the receipts were only 28,742*l*., and the expenditure but 12,926*l*. The dividend declared was 14*s*. per share, and a balance carried over to the next account of 8,548*l*.

#### SUMMARY.

The total amount of the ordinary share capital of the foregoing sixty railway companies was, in 1851, 140,849,499*l*., and in 1855, 142,312,315*l*.; being an increase in the year of 1,462,816*l*. In 1854 the preference capital was 31,591,744*l*., and in 1855 it was 33,773,726*l*.; shewing an increase of 2,180,982*l*. The mortgages and loans in 1854 were 65,864,421*l*., against 71,714,029*l*. in 1855; being an increase in the year of 5,849,608*l*. The interest paid on mortgages and loans in 1854 was 1,333,307*l*., and in 1855 it was 1,461,155*l*.; shewing an increase of 127,848*l*. In 1854 the preference dividends amounted to 662,604*l*., and in 1855 to 711,338*l*.; being an increase in the latter year of 48,674*l*.

#### THE OFFICIAL REPORT ON RAILWAYS FOR 1854.

CAPTAIN GALTON, R.E., the secretary of the railway department of the Board of Trade, has presented his annual report for the past year, from which we select the annexed items :—

The length of new lines of railway sanctioned by Parliament during the year 1854, was 482 miles. This amount is little more than half the length sanctioned in the previous year. The length of new railways authorised in each year reached its highest point in 1846, after which a rapid falling off took place, and continued till the years 1849 and 1850. But after the year 1850, the length of lines authorised by Parliament in each year steadily increased till 1853. A falling off, however, again took place in 1854.

The following are, as far as the records in this department will show, the

number of railway acts passed in each year since 1846, as well as the length of line and amount of capital and loans authorised in each year by those acts.

Year.	Number of railway acts.	Length of line authorised. Miles.	Amount of money authorised to be raised. £
1846 ...	270 ...	4,538 ...	182,617,368
1847 ...	190 ...	1,354 ...	39,460,128
1848 ...	85 ...	371 ...	15,274,237
1849 ...	34 ...	16 ...	3,911,331
1850 ...	34 ...	8 ...	4,115,632
1851 ...	61 ...	135 ...	9,553,275
1852 ...	106 ...	244 ...	4,333,834
1853 ...	51 ...	940 ...	15,517,601
1854 ...	71 ...	482 ...	9,211,602

Of the total length of line authorised in 1854, 858 miles are in England and Wales, 58 miles in Scotland, and 66 in Ireland. In England the new lines are almost entirely branch lines, or lines subsidiary to existing lines.

But the principal feature of railway legislation in the session of 1854, was the large number of bills which related to what may be termed arrangements between railway companies. In connection with this subject it may be as well to mention the alteration in the arrangements which were made with regard to the passing of railway bills through Parliament. It will be in the recollection of your lordships that a select committee of the House of Commons sat in the session of 1853 upon the subject of railway and canal companies' amalgamation. The committee considered very fully the subject of railways with reference,—1st. To the question of securing uniformity in railway legislation in future, and the principles upon which such legislation should be based. 2nd. To the question of securing the uninterrupted interchange of all descriptions of traffic between the different railways or systems of railways. 3rd. To the subject of the prevention of railway accidents. The views of the committee upon these points were expressed in a series of resolutions. Upon the first point, it appeared that the committee was adverse to amalgamations between large companies except under very special circumstances; but they recommended that working arrangements for conducting the traffic and dividing the profits should be sanctioned under proper conditions, and for limited periods. The committee considered that running powers should be discouraged as dangerous, and should be conceded only in cases where the free transit from one system of railways to another cannot be practically ensured by other means. With the view of securing uniformity in railway legislation, the committee recommended that a general committee on railway and canal bills should be appointed in each session, of a character more permanent than has hitherto been the practice, in order to secure a comprehensive review of all schemes submitted to Parliament; and that, for the investigation of contested bills, the committee should divide the country into districts, decide questions of principle, and make arrangements for the decision of questions in which more than one district might be interested; and so direct the investigation of schemes within the several districts, as to secure for the public the utmost advantage that might be derived from a judicious combination of new lines with those already existing. To carry into effect this object, a standing order of the House of Commons was made, which provided that a general committee for railway and canal bills should be formed, consisting of not less than twenty-four nor more than forty members, from amongst whom the special committees on the groups of bills were to be selected. This committee was formed at the commencement of the session of 1854, and a general classification of the railway bills of the session was prepared by direction of your lordships, and laid before it. From this classification it appeared that a large proportion related to arrangements between railway companies, under which head were included 75 bills out of the 138 before Parliament.

The railways in Great Britain and Ireland, which remain as already authorised for construction in Great Britain and Ireland, are 12,806 miles, of which 8,064



miles were constructed and open at the end of 1854. 4,752 miles remain to be opened.

The miles open are—England and Wales, 6,114; Scotland, 1,043; Ireland, 807. It has been estimated about 22,000 miles will ultimately in all be required to connect the islands of Great Britain.

The total amount of capital authorised to be raised by shares and loans, to the extent of £100,000,000, of which £86,068,794*l.* was then raised.

From 1825 to June, 1854, 15,833 miles of railway were open, and 91,409 miles were under construction. Average number of persons employed per mile.—Year ending June 30, 1851, 2,371; 1852, 1977; 1853, 1977; 1854, 11,159.

The number of persons employed on the railways in 1854, was 111,206,707. In 1850, 10,000,000; in 1851, number per mile, 14,160 in 1854, against 13,659 in 1851.

The receipts from all sources of traffic in 1854, amounted to 20,215,724*l.*, being 2,775 per mile in 1854, 18,438,578*l.*, or 2,498*l.* per mile. The revenue, including rates, stamps, and receipts, &c., would be more than 20,215,724*l.*, which is stated to be traffic receipts alone. We are not told what these additional receipts amount to.

Goods traffic in 1854, as much as 11,040,779*l.* was for goods traffic, being an increase of goods traffic of 1,363,979*l.* over 1853's, or 165 per cent. increase, which is immense. In the year 1849, the goods traffic amounted to 9,676,801*l.* Since that time the railways have increased in length 40.6 per cent., but the increase in the goods traffic has been 99.67 per cent.

The working expenses (including rates, taxes, and Government duty) average 45 per cent. of the receipts of railways in Great Britain; that in England, it is 45 per cent., in Scotland 43 per cent., and in Ireland 46 per cent.

Expenditure in 1854 per mile per train run in England, was 31-28*d.*; in Scotland, 28-42*d.*; in Ireland, 29-18*d.*. Receipts per train per mile were 68-83*d.* in England; 50-98*d.* in Scotland; 61-14*d.* in Ireland.

Capital paid up in 1854—ordinary, 166,000,896*l.*; preference, 49,377,952*l.*; loans, 70,660,000*l.*; total, 286,038,794*l.*

The average fixed dividend paid in 1854 on the preference capital was 5.01 per cent., absorbing a sum of 2,475,155*l.*

The average interest paid on the loan capital was 4.27 per cent., absorbing in the year 3,021,266*l.*

The average rate of working expenditure having been 45 per cent. of the receipts, and after deducting the preference dividends and loan interest, there remained in 1854 from the 20,215,724*l.* receipts—a sum as surplus profit equal to 3.39 per cent., say 3*l.* 5*s.* per cent. on the whole of the ordinary share capital.

The ordinary dividends of railway companies have been in—

	PER CENT.					
1849 ... ..	...	...	...	...	...	1.88
1850 ... ..	...	...	...	...	...	1.83
1851 ... ..	...	...	...	...	...	2.44
1852 ... ..	...	...	...	...	...	2.40
1853 ... ..	...	...	...	...	...	3.05
1854 ... ..	...	...	...	...	...	3.39

#### PROVINCIAL REMONSTRANCE AGAINST THE OPERATION OF THE BANK CHARTER ACT.

THE representatives of the Chambers of Commerce of Birmingham and Liverpool have adopted specific resolutions, embodying their views upon the operation of the present Bank Charter Act, and the laws which govern our monetary system. In both cases the parties have arrived at the conclusion that these laws are wholly inefficient for the intended purposes, but the Birmingham section do not appear to have been unani-

mous upon the whole of the views attempted to be propounded. The Liverpool Chamber seem to have been more fortunate in arriving at a conclusion, and a committee has been appointed to watch the progress of events.

Birmingham, Oct. 20.

The present state of the monetary laws has been under discussion by the council of the Chamber of Commerce in this town. A committee having been appointed, they arrived at the following resolutions, which they recommended for the consideration of the council:—

“1. That had Australian and Californian gold not been discovered, the present monetary system could not have been maintained.

2. That the Legislature, when it passed the last Bank Charter Act in 1844, could not by any possibility have contemplated that discovery.

3. That experience has proved that the provisions in that charter, limiting the issue of notes by the Bank on the Government debt to fourteen millions, and beyond that to the amount of bullion held by the Bank, are provisions extremely injurious, and not grounded upon any sound principle.

4. That in 1847 these provisions were practically suspended; had that not been the case, no man who at all understands such matters can for a moment doubt that all the bullion would have been drawn out of the Bank, and the notes issued on the fourteen millions of Government debt could not have been paid.

5. That great fluctuations have taken place in the amount of bullion held by the Bank since the passing of the Act of 1844—such fluctuations compelling the Bank at one time to decrease the amount of Bank notes in circulation, and thus to create great distress and bankruptcy; and at other times compelling the Bank to purchase gold, and thus vastly to increase its circulation, thereby causing a rapid rise in the price of all property and labour, and thereby creating a temporary prosperity, to be followed by a renewed export of gold (the rise in price necessarily producing such export of gold), and that export compelling the Bank again to reduce the amount of their notes, great distress and bankruptcy becoming again the consequence.

6. That the professed object of the Government, in proposing the Bank Charter Act of 1844, was to mitigate these fluctuations, and, as far as possible, to insure a steadiness of price, and, as a consequence, a steady and profitable commerce.

7. That no such effect has been produced. The discovery of gold, and its continued influx, has, in a great degree, lessened these fluctuations, and prevented the whole system from giving way.

8. That the question now is—Will the supply of gold continue such as to enable us to meet the unavoidably immense drain caused by the war, and to retain a sufficient quantity for the foundation of a circulating medium adequate to the wants of the nation?

9. That this drain will be greatly increased by the necessary import of corn, occasioned by (what is no longer doubted) a great falling off in the crop of wheat for the year 1855.

10. That the Bank of England seems to be quite aware of this, and is already taking most decided steps to check the demand for gold, by curtailing the issue of its notes, the effect of which will be to depress prices, and thus induce the export of notes rather than gold.

11. That it cannot now be stated that these steps are called for by any wild, dangerous speculations in this country, for trade is known to be more free from speculation than it has long been.

12. That this drain is mainly caused by the Turkish loan, a measure proposed by Government, and at their request sanctioned by Parliament; secondly, by the amount of gold required to pay our troops in foreign countries,

and now by purchases of wheat being made in every quarter of the world where it can be procured.

13. That, however stringent such measures may be, it would appear impossible to stop the drain of gold from these causes can be stopped without the abolition of the Act of 1844.

14. That, in such larger amount of gold from the mines than has hitherto been produced, the Bank will be compelled to issue more than will prove a vain effort to maintain the "convertibility" of its notes, and thus its circulation to a point which will occasion enormous commercial confusion, bankruptcy, and distress, and render the payment of all its engagements, the fulfilment of monetary engagements, the supply of money for the use of the people, utterly impossible.

15. That the means enabling the country to carry on and bring to a successful issue the war were furnished by the adoption of an exactly opposite course to that taken on the part of the Bank than that which, by the charter of 1844, the Bank is now compelled to adopt, the issue of its notes being then not restricted to the amount of bullion which happened to be in its coffers, but issued to an extent commensurate with the necessary wants of the Government, and the legitimate requirements of commerce.

16. That the present law, by permitting the Bank to issue a fixed amount, fourteen millions, of notes on mere Government debt, over and above the notes already in circulation held in deposit, has proved that, even in times of peace, those wants and requirements cannot be met by a circulation limited by the amount of gold in the Bank.

17. That inasmuch as one main element of price is the amount of legal tender "pounds" in circulation, it is manifestly unjust, by diminishing the amount of such legal tender "pounds," artificially to depress prices of all property, and proportionably to enhance the burden of taxation and all other monetary engagements, merely because of occasional fluctuations in the amount of the article—gold.

18. That the object to be accomplished is to provide and maintain a sufficient steady circulation of legal tender money for all internal affairs. At present, operations which the public cannot foresee, and over which they can exercise no control, can at once derange all existing contracts, and greatly endanger the best interests of the country. As long as gold is the only foundation of the circulation, it is impossible to keep a steady and sufficient circulation. In time of peace it has been found impossible so to do; how can it be possible in time of war?"

Two meetings of the council have been held, at which Mr. Spooner, M.P., presided; and after a very lengthened discussion, the council determined, by a small majority, on the adoption of the first two paragraphs only. These will hereafter be laid before a general meeting of the chamber.

The resolutions are understood to have been framed mainly by Mr. Spooner himself, but they were unanimously concurred in by his four colleagues on the sub-committee.

Liverpool, October 24.

The following resolutions were adopted at the private meeting of the Council of the Chamber, held yesterday, and, by adjournment, to-day, in response to the numerously-signed memorial of merchants and others, on the subject of the present state of the monetary system:—

Chamber of Commerce, Liverpool, October 28.

At a special meeting of the Council to consider a requisition on the subject of the present state of the monetary system, Mr. Edward Heath, president, in the chair, it was resolved:—

"That, although the Council see no reason for alarm in the present state of the commercial position and the general resources of the country, yet they

cannot conceal from themselves the fact that there is a growing apprehension in the public mind of approaching difficulties.

The Council, therefore, think it necessary to communicate to the requisitionists the following conclusions at which they have arrived:—

That, should the demands of a large war expenditure on the one hand, and the food requirements of Western Europe on the other, cause a continuance of the drain upon the available banking capital and the stocks of bullion in this country, the Bank of England may (despite the exercise of the only corrective principle apparently in its power—namely, that of raising the rate of interest and restricting discounts) find its banking reserve of notes exhausted, while the issue department, as in 1847, still retains a large stock of bullion.

That the experience of 1847 clearly demonstrates that, in the event of such an assumed contingency, the Bank of England, under the provisions of the act of 1844, is powerless to afford any facilities to the commercial world, and that (although the originating causes may not be precisely parallel) the same calamitous crisis as that of 1847 may again be witnessed.

That, as the public are now fully aware that the only possible mode of relief in such an assumed state of affairs is the interposition of Government to suspend the operation of the Bank Act of 1844, the uncertainty as to the mode and the time of such interposition is calculated to create apprehension, and to generate a want of confidence in the public mind.

That the prevailing apprehension on the part of the public, arising from such a state of doubt and uncertainty, is in itself mainly conducive to cause and hasten the advent of the crisis which is so much dreaded.

That it may, therefore, become the duty of this Chamber to call upon Government to anticipate and prevent any such breakdown of public confidence, by declaring, at an early period, its readiness to assume the responsibility which is expected from it.

That, in order to make any such declaration practically useful, it is requisite that it should not be deferred (as in 1847) until, by the total loss of confidence, unnecessary suffering and injury shall have been experienced.

That a standing committee be now appointed to watch the progress of events, and to intimate to the Council their opinion when immediate action on the part of this Chamber is desirable."

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#### THE AFFAIRS OF MESSRS. STRAHAN, PAUL, AND BATES.

THE bankruptcy proceedings under the estates of Messrs. Strahan, Paul, and Bates, have elicited further information with respect to the extraordinary career of these delinquents. The reckless conduct of business, and the involved condition of the partners, show that they should have long since brought their affairs to a conclusion, and not have suffered the property of their creditors to undergo a heavier sacrifice than was necessary, in order temporarily to maintain their credit. The final examination of the bankrupts has been adjourned until December, the balance-sheet not being ready; and the declaration of a dividend has been postponed to the same date, owing to the introduction of new claims, which have to be investigated. Reports of the inquiry before the commissioners are appended, as they are worthy of attentive perusal.

IN RE STRAHAN, PAUL, AND BATES.—FINAL EXAMINATION.

*Court of Bankruptcy, Basinghall-street, October 9th.—(Before Mr. Commissioner EVANS.)*

The bankrupts were bankers; they were also navy agents, trading under the

style or firm of Halford and Co. This was a meeting for their last examination. The bankrupts were in the building, but were not brought into Court. The accounts, which are in course of preparation by Mr. Turquand, not being ready, an adjournment became necessary as a matter of course. In the absence of accounts, it may be stated that the debts and liabilities are computed at between £700,000 and £800,000; the assets at about £100,000.

Mr. Lawrance appeared for the assignees, and Mr. Bagley, Mr. Linklater, Mr. Columbine, and Mr. Lewis, for various creditors.

Mr. Weston, of George-yard, Lombard-street, tendered a proof on a bill of exchange for £2,000. Mr. Weston said he had given £1,000 for the bill about three weeks before the bankruptcy, and it was agreed that the bill should be forfeited if not paid on a certain day. The name Richard Critchley on the bill was that of an agent, and worth nothing. He had discounted the bill chiefly on the credit of the bankrupts. Critchley had told him that he acted as agent to Messrs. Gandell Brothers, and that he (Critchley) was not worth a penny. Critchley lived at Manchester, and was in receipt of a salary. The bill was drawn by Critchley upon the bankrupts, and endorsed by him and by Gandell Brothers.

The proof was ordered to stand over after Mr. Lawrance had remarked that Messrs. Gandell were indebted to the bankrupts' estate upwards of £120,000, part of which was in respect of liabilities similar to this bill of exchange. The assignees desired to subject all claims on such bills to the fullest investigation.

A proof was next tendered by Mr. E. H. Prior, colonial banker, of Great Tower-street, upon a similar bill, except that Gandell Brothers were the drawers, and the bankrupts the acceptors. Mr. Prior, examined, said he had received the bill from Mr. Rastrick. Mr. Rastrick was a merchant, in Philpot-lane. Mr. Rastrick's name was on the bill. He (Mr. Prior) gave £1,000 for the bill, less the discount.

The proof was ordered to stand over for the production of the claimant's books.

A proof was next tendered upon six bills, amounting to £5,041, by Francois Guillaume, of Paris, and of which Gandell Brothers were the drawers. The proof was ordered to stand over for the production of books and other documentary evidence.

Mr. Bagley said he appeared for Miss Burton, the daughter of a deceased general officer in the Royal Artillery. She had proved for £800, but she had a claim against the estate for £2,500 more, in respect of some Dutch bonds which had been misappropriated. She proved against the estate of Halford and Co. Her only dealings and transactions were with that estate; she knew nothing of Strahan and Co., the bankers. Now the bankrupts had been made bankrupts in both capacities, as navy-agents and as bankers. His application was, that distinct accounts might be kept of the assets of Halford and Co. and of those of Strahan and Co., with a view to the subsequent distribution of those assets in accordance with the ordinary principle in bankruptcy of making each estate bear its own burden. He had been informed that distinct accounts had always been kept by the two houses, and no difficulty could arise in complying with his (Mr. Bagley's) application.

Mr. Lawrance said there would be no difficulty at all in thus keeping a separate account of each estate, but he could not accede to the application, as it would be holding out hopes to that particular class of creditors which could never by possibility be realised. The same persons constituted the partners in both firms. Strahan and Co. had two places of business—one in the Strand, the other in Norfolk-street. There were no other partners in the house in Norfolk-street; therefore there could be no separate rights as affecting any particular class of creditors. The moneys were dealt with indiscriminately. It was precisely the case of a tradesman having two shops—one in Cheapside and the other in Regent-street.

The Commissioner—It does not occur to me that the question has ever arisen.

Mr. Lawrance—Nor does it to me. I have endeavoured in vain to find any authority on the point; but the reason that none such can be found is, that one cannot conceive how the question could arise where the parties are identically the same.

The Commissioner—At present I am not going to decide anything about it but you may keep the estates separate.

Mr. Lawrance—I don't think this is possible, the estates are so mixed. We know who are customers of Halford and Co., and who are customers of the banking-house, but we cannot distinguish the assets of each, because if a half-pay officer, for instance, which was not unusual, had moneys advanced to him from his navy-agents in Norfolk-street, the moneys so advanced were not the moneys of Halford and Co., but of Strahan and Co.

Mr. Bell (official assignee)—Moneys were paid from Halford's house on the Saturday and were received on Monday by Strahan and Co. They were all mixed up together.

The Commissioner—I cannot make people perform impossibilities. I am not going to say anything on the main question at issue; but suppose that a man named Evans chooses to carry on another business under the name of Black—quite a different business, though he is the only person in each—surely it is a fraud in him to conceal it in that manner, and not let the public know with whom they are dealing.

Mr. Lawrance said he did not think there was any concealment in this case. He had no objection to meet the learned counsel's proposition as to the accounts, but the only question was as to the justice of making a distinction in the distribution of the assets between the different classes of creditors.

Mr. Bagley said that he had no doubt, from reason, analogy, and declared cases, he should be able to satisfy the Court that Halford and Co.'s creditors were entitled to Halford and Co.'s assets.

Mr. Lawrance remarked that no inconsiderable proportion of the assets which it was proposed to distribute on Friday were the assets of Halford and Co.

Mr. Bagley—That is a matter of vast importance to the creditors. It was stated at the last meeting that the firm of Halford and Co. was nearly solvent.

Mr. Lawrance—The official assignee tells me that the separate estate of Halford and Co. would be solvent, so to speak. The debtors to the estate of Halford and Co. are principally officers, who, if not killed in action, will some day or other pay the claims upon them.

Mr. Colombine said he appeared for two creditors who were precisely in the same position as Mr. Bagley's client.

Mr. Linklater, as appearing in support of a proof for upwards of £13,364 on behalf of the Glasgow Insurance Company, said it was desirable that the postponement of a dividend should be publicly known, as it would prevent inconvenience to creditors from the country.

A gentleman who said that he represented two large creditors, stated that an account had been kept with Strahan and Co. as the account of Halford and Co. That was an important fact.

The Commissioner—Oh, that will come out.

Mr. Bagley—And the two firms were in the habit of drawing upon each other; that is perfectly notorious. They had different books and different papers, and different everything.

Mr. Bell—Sir John Paul himself had no less than four different accounts with the bank.

His Honour said it would be necessary, before these questions were decided, to take the accounts. The point raised by Mr. Bagley should be discussed at a private meeting.

Mr. Lewis observed, that the Attorney-General had expressed a wish that the bankrupts might remain under the jurisdiction of the Court until the criminal proceedings elsewhere were completed.

The Commissioner—There must be an adjournment at all events, as the balance-sheet has not been filed. When is the trial fixed for?

Mr. Lewis—The 25th of October, but I cannot exactly say when it will take place.

Mr. Lawrance submitted that this Court had nothing to do with proceedings elsewhere. The case must be treated as any other bankruptcy.

Mr. Lewis said another reason for an adjournment was, with reference to the time that had elapsed. The bankrupts had done everything to facilitate the pre-

paration of their accounts as far as they could, as Mr. Turquand, the accountant, and the official assignee would testify. Further time was necessarily required, and inasmuch as the proceedings in the Criminal Court would occupy considerably longer space, an adjournment for six months was desirable.

Mr. Lawrance said he must object to so long an adjournment. The bankrupts' balance-sheet would be ready in a month. An adjournment of six weeks would meet his views.

The Commissioner—Let the meeting be adjourned for two months.

It was subsequently fixed for the 11th of December, at eleven o'clock.

Mr. Lawrance said the assignees had no objection to the continuance of the allowance (£5 a week each) as to two of the bankrupts for one month. Sir John Paul had drawn from the banking-house a sum of money immediately before it stopped payment. The assignees thought this sum was quite as much as the Court would have sanctioned as an allowance; they did not, therefore, propose to grant to him any allowance.

The Court acceded.

Mr. Lawrance said he had now to call the attention of the Court to the misapplication of securities. The assignees proposed to enter the claims against the estate, subject to the right of those creditors to participate in any surplus which may arise in cases where securities have been deposited for sums less than the presumed value of those securities. The assignees also propose on Friday to enter claims on behalf of those officers, naval and military, who are now on foreign service, and who probably have no means of sending over their proofs. With little trouble, we can probably ascertain the amounts due to them respectively, as well from Halford and Co. as from the bank.

The Commissioner—I see no objection to the course.

Mr. Bagley—I should like to know whether Mr. Lawrance proposes to state on Friday what has become of the different securities.

Mr. Lawrance—That has been already stated in the paper which was given in by the bankrupts, and which has been filed with the proceedings. You all know as much respecting the securities as we know.

After some conversation in respect of Mr. Weston's proof, during which the learned Commissioner expressed a hope that the proof would not succeed on a future day to the extent of £2,500—the entire amount of the bill—it was stated by Mr. Linklater, that the proof on the part of the Glasgow Insurance Company for £13,361 was sought to be made against the separate estate of Mr. Strahan, who had become security for the sum of £20,000, advanced to Gandell Brothers. Gandell Brothers had become bankrupts in France.

Mr. Colombine, in tendering a proof for Captain Morris on account of misappropriated securities, said he trusted he should now be at liberty to inspect the proceedings, as he wished to prosecute inquiries as to other securities of larger amount.

Mr. Lawrance objected. The assignees did not wish to be any parties to the recognition of the document put in by the bankrupts in reference to these securities. In cases where the securities had been pledged, it was a great question whether those creditors were not entitled to that surplus, in preference to the assignees.

The Commissioner—I am generally in favour of allowing creditors to examine the whole of the proceedings; but I will consult some of the other commissioners, and let you know on Friday.

This terminated the proceedings. The amount of proofs and claims against the joint estate entered during the day was £58,509. The assets at present absolutely in hand are £44,000.

#### THE QUESTION OF DIVIDEND.—12TH OCTOBER.

This was a meeting for the proof of debts and declaration of dividend in the case of the above bankrupts, bankers, and navy agents.

Mr. Lawrance appeared for the assignees; Mr. Linklater, Mr. Colombine, Mr. Bell, Mr. Hacon, and Mr. Chidley for creditors.

After some discussion respecting the deeds of partnership executed between

the bankrupts as the partners in the firms of Strahan and Co., and Halford and Co., and Mr. Lawrance and Mr. Bell (the official assignees) having said that they had not seen the whole of these deeds,

The learned Commissioner said he should defer taking any step towards deciding claims as against the respective estates of Strahan and Co., and Halford and Co., until they had been produced.

Mr. Pryor again appeared to prefer a proof for £1,000 on a bill of exchange for that amount, as drawn by Gandell Brothers upon the bankrupts, and endorsed by Mr. Rastrick, and for whom he had discounted the bill in the regular course of business, at the rate of 5 per cent.

Mr. Lawrance said at the last meeting he had felt it to be his duty to object to the proof. The bill belonged to a class into which strict investigation was necessary. It was on this ground that he had desired an adjournment, the same as in the case of the bill held by Mr. Weston. He was now fully satisfied in respect to Mr. Pryor's claim. He wished all the transactions had been of the same character; it would have saved a great deal of trouble.

Mr. Linklater tendered a proof for £13,350 on behalf of the Glasgow Insurance Company, under the following circumstances:—John Haskins Gandell and Edward Frederick Gandell (who had since become bankrupts in France) had obtained a loan of £20,000 from the insurance company upon the bankrupts giving a joint and separate guarantee for its repayment in three equal instalments, payable at different periods. One instalment had been paid, and the point was whether, bankruptcy having intervened before the other instalments had become due, his clients could sustain a proof on the bankrupts' guarantee. The second instalment was payable in June, 1856. Mr. Linklater cited the 178th section of the Bankruptcy (Consolidation) Act and numerous cases in support of the proof.

Mr. Lawrance submitted that the terms of the deed precluded the proof of the debt. There was, on the part of the bankrupts, no covenant to pay—only a covenant that others should pay. There was no contingency in the deed—no covenant on the part of the bankrupts to pay under any circumstances whatever. Mr. Lawrance proceeded to argue that if there had not been this defect in the deed, the proof must necessarily be rejected, on the ground that the bankruptcy of Strahan and Co. had intervened prior to any breach of contract by either Gandells or the bankrupts. Mr. Lawrance cited the 56th section of George IV., and numerous decisions.

Mr. Linklater urged that, Gandells having become bankrupts, there had been a breach of contract, notwithstanding that the moneys had not become actually due.

His Honour reserved his decision.

Mr. Hacon tendered a proof for £10,000 on behalf of the Edinburgh Life Assurance Company. The bankrupts had guaranteed the payment by instalments of a loan to Gandells. Of those instalments £10,000 were unpaid.

The Commissioner said the only difference between this proof and the last under discussion was that by this deed the bankrupts covenanted to pay if others did not.

Mr. Hacon—And there is a default in our case.

The Commissioner—There is no default before the time of bankruptcy.

Mr. Hacon—But there is a default before the proof is made.

His Honour reserved his decision, and said there would be no dividend until these and similar proofs had been disposed of. The present dividend meeting would stand adjourned to the same day as the adjourned examination meeting—the 11th of December.

Mr. Lawrance remarked that, if these proofs should not be sustained as against the separate estate of Mr. Strahan, that estate would be nearly solvent.

The cases principally relied on during the discussion were "Arnott and Holden" (22, *Law*, 7); *Toppin v. Field* (4, *Q.B.*, 386); *Warburg v. Tucker* (25, *Law Times*, 246). The decision has since been given, and will be found in this month's number, under the head of "Legal Miscellany."

Mr. Bell tendered a proof for £7,500 against the separate estate of Sir John Dean Paul, under the marriage settlement of Mr. Aubrey John Dean Paul, his son, on his marriage with Miss Laura Lister-Kaye, by which Sir John had guaranteed to his son an annuity of £910, in quarterly instalments. The contingency had been valued by Mr. Morgan at £7,500. A further proof for £398



was tendered in respect to an annuity of £300 to his son's wife. The annuity was subject to the lady surviving her husband and not contracting a second marriage.

Mr. Lawrance had nothing to object to the first part of the proof, beyond that that it was a very rash and imprudent bargain on the part of Sir John Den Paul. He was at a loss how the value of the second part of the settlement could have been computed. Much might depend upon the charms of the lady. He was not aware that Mr. Morgan valued such descriptions of annuities.

The Commissioner—Nor I.

Mr. Bell—The consideration is unquestionable; marriage is held to be the most valuable of all considerations.

The Commissioner—It is unquestionably a good consideration—a legal consideration. The first portion of the proof will be admitted; the other must stand over for consideration.

Mr. Lawrance said that Mr. Aubrey Paul being a considerable debtor to the estate, that debt must be allowed as a set-off against the claim of £7,500.

After reference to the terms of the settlement, it was understood that the set-off would be allowed.

A further proof on behalf of Mr. Aubrey Paul, under a settlement of £9,000 in Consols, as received by Sir John Paul on his marriage with Miss Balfour, and settled upon her and her children, on the death of both Sir John Paul and herself, was next tendered. Lady Paul was dead, and Mr. Aubrey Paul was the only issue of the marriage. The proof was admitted for £5,300.

Mr. Colombine renewed the question of Dutch bonds, on which he had sought to prove the other day, and claimed the right of inspecting the list of missing securities already filed by the bankrupts.

Mr. Lawrance said he had never denied the right.

Mr. Colombine—Upwards of £100,000 has been raised on bonds which have been misappropriated. The solicitor to the assignees, formerly the solicitor to the bankrupts, has for some reason or other sought to prevent creditors having the benefit of this information.

Mr. Lawrance—A more untrue statement was never made. There are 1,200 creditors to the estate, and every application from any one of the creditors, whether by letter or otherwise, has been attended to the moment it was made.

Mr. Colombine—Unless the claimants on missing securities are admitted to prove at once, they are not in a position to take part at the examination meeting.

The Commissioner—These men have committed a crime; do the creditors wish to pass it over by proving their debts?

Mr. Lawrance said the position of the creditors would not be at all affected by any course they might now take. He held in his hand a list prepared by accountants of all the securities which had been dealt with by the bankrupts.

The Commissioner observed that at former meetings no opposition had been offered to the bankrupts receiving protection, and it was granted accordingly.

Mr. Colombine said he wished to prove for £483 on behalf of Captain Morris, whose Dutch bonds had been pledged by Mr. Peppercorn.

Mr. Lawrance had no objection whatever to the proof. He had prepared a list of creditors whose securities had been improperly dealt with. It was felt that in equity these creditors were entitled to any surplus arising from those securities, and he hoped that they might obtain it.

The Commissioner—I will do all I can to help you in that view.

Mr. Colombine said he would prefer Captain Morris's name being struck out of the list.

The Commissioner—I think you are taking rather a doubtful course.

The proof was admitted, subject to Captain Morris abandoning any claim upon a contingent surplus from the deposit of the bonds.

Proofs to the amount of £43,000 were admitted, exclusive of a list of claims put in by Mr. Lawrance on behalf of the holders of missing securities. The total list of these claims (40 in number) amounts to £123,673 10s. 8d., the amounts varying from £202 to £21,387, the claimant for that amount being Dr. Griffith.

Subjoined is a summary of the securities:—

15,800	India Bonds, at 22s. pm.	...	...	...	...	£15,978	16	0
858,000	Dutch florins, 2½ per cent., at 64½	...	...	...	...	46,117	10	0
10,500	Exchequer bills, at 14s. pm.	...	...	...	...	10,573	10	0
10,000	Danish Three per Cents., at 82	...	...	...	...	8,200	0	0
5,000	Ditto, Five per Cents., at 102½	...	...	...	...	5,125	0	0
88,000	Dutch Three-and-a-Half per Cents., at 90	...	...	...	...	6,600	0	0
50,000	Ditto, Four per Cents., at 95	...	...	...	...	3,958	6	8
12,700	Brazilian Five per Cents., at 100	...	...	...	...	12,700	0	0
12,000	Ditto, Four-and-a-Half per Cents., at 93	...	...	...	...	11,160	0	0
6,000	Canada Bonds	...	...	...	...	6,090	0	0
							£126,498	2 8
Deduct 2,800 Exchequer bills belonging to Strahan and Co...							2,819	12 0
							£123,678	10 8

A memorandum is annexed to this list:—"Admitted as claims only, without prejudice to any question of amount, and also without prejudice to the right of the claimants to participate in the funds which may remain in the hands of the depositors of the securities."

The meeting was then adjourned to the 11th of December.

## THE TRIAL OF MESSRS. STRAHAN, PAUL, AND BATES.

*Central Criminal Court, Oct. 26.—Old Court.*

THIS morning having been specially appointed for the trial of Sir John Paul and his partners, Messrs. Strahan and Bates, for illegally disposing of securities to a large amount, which had been intrusted to them as bankers for safe custody, the Court was filled at an early hour by persons anxious to hear the proceedings.

Shortly before ten o'clock, the defendants, William Strahan, John Dean Paul, and Robert Mekin Bates, surrendered and were placed in the dock.

At ten o'clock the learned Judges, Mr. Baron Alderson, Mr. Baron Martyn, and Mr. Justice Willes, took their seats upon the bench. Aldermen Sir R. W. Carden and Eagleton, Mr. Sheriff Kennedy, and Mr. Under-Sheriff Stone accompanied their lordships. A great number of gentlemen connected with the banking and mercantile community were also present.

The Attorney-General, Mr. Bodkin, and Mr. Poland, appeared for the prosecution; Sir F. Thesiger, who was specially retained, and Mr. Ballantine, appeared for the defendant Strahan; Mr Sergeant Byles and Mr. Hawkins were specially retained to defend Sir John Paul; and Mr. E. James, Q.C., also specially retained, and Mr. Parry, appeared for the defendant Bates.

When the defendants were called upon to plead,

Sir F. Thesiger applied to the Court on behalf of his client, that he and the other defendants might be allowed to plead double, and that, in addition to the plea of "Not guilty," they should be allowed to plead a special plea, in order that they might take advantage of one of the sections of the act of Parliament under which the indictment was framed. Sir F. Thesiger called the attention of the Court to the section of the act of Parliament of the 7th and 8th of George the IV., under which the indictment was preferred, and to the subsequent section, which directed that no person should be criminally liable under the act who had under any compulsory process made a full statement of all the matters connected with the transaction, and upon them he grounded his application.

Mr. Baron Alderson, after consulting with his learned colleagues, said the Court were of opinion that the course suggested by the learned counsel was one that was without precedent, and the defendants must either plead "Not guilty," or else rely entirely upon the question of law.

The case was then about to proceed, when

The Attorney-General, addressing their lordships, said he was informed that Mr. Beattie, who was a very important witness, was not in attendance, and he said

the administration of justice would be in peril if he proceeded with the cause in the absence of that witness.

Mr. Baron Alderson inquired whether the witness had been subpoenaed, or had received notice to attend?

The Attorney-General said, he had been bound over by the magistrate, and subpoenaed also. On the previous day he had sent a communication to Mr. Hamphreys, the attorney for the prosecution, stating that he was ill, and under medical advice, and had gone to his house at Tunbridge-wells. He promised, however, to return to town this morning by a train which would arrive at half-past ten o'clock.

The Court said that, under these circumstances, they had better wait a short time.

At eleven o'clock, as the witness had not arrived, the Attorney-General applied for the witness to be called upon his recognisances and subpoena, and this was done, when the Court ordered the recognisances to be estreated.

The Attorney-General then applied for the postponement of the trial, and a discussion was proceeding as to the future day upon which the trial should be fixed, when, in the midst of it, it was announced that the missing witness had arrived.

Mr. Sleight, the deputy clerk of arraigns, then read the indictment which alleged that the defendants had carried on the business of bankers, and that, in that capacity, they had been intrusted with certain Danish bonds of the value of £5,000 for the purpose of safe custody, and without any authority to pledge, sell, or negotiate the bonds so intrusted to them, they had, contrary to good faith, sold and converted them to their own use.

In other counts, the defendants were charged with having sold the bonds in question, and with having negotiated them, and they were also charged with conspiring together with the same object.

The defendants having pleaded "Not guilty,"

The Attorney-General then addressed the learned judges and the jury. He said, "I have, on the present occasion, a painful duty to discharge, in pressing an accusation of a very serious character against the defendants on this indictment—gentlemen known to most of us, and who have hitherto maintained a high position in society, and a character of unquestioned integrity and honour, which prevented them from being supposed capable of the offence with which they are now charged. The present charge is one not only involving penal consequences of great magnitude, but also affecting the honour and character of those gentlemen at the bar. You are aware that the defendants carried on, for some time, the business of bankers in this metropolis. The firm was one of ancient date; its transactions were large, and it enjoyed the confidence of a highly numerous body of customers. Among others, the present prosecutor, Dr. Griffith, Prebendary of Rochester, opened an account with the then firm of Snow, Paul, and Co., in 1830. In 1838, Snow retired, and the present defendants, Strahan and Bates, joined the firm. Subsequently, Sir J. D. Paul, the father of the defendant (Sir J. D. Paul) died, and from that period, the business has been conducted by the three defendants. Dr. Griffith continued the account he had opened with the firm of Snow, Paul, and Co. in 1830, until the transactions now the subject of inquiry occurred. He was a gentleman of great fortune and character, and employed the defendants, as bankers, to invest money for him from time to time in public and foreign securities. The present inquiry relates to some of those securities, fraudulently disposed of by the defendants, in contravention of the statute which makes it penal to dispose of securities placed in their hands for safe custody. Among these securities were certain bonds issued by the Danish Government, bearing interest at the rate of 5 per cent.; and I will confine my present observations entirely to those securities, as they form the subject of the present inquiry. It seems that on three several occasions Dr. Griffith employed the defendants to invest money for him in these Danish Five per Cent. Bonds. In 1849, the Danish Government raised a loan and issued bonds as security to the persons advancing money. In January, 1850, Dr. Griffith instructed the defendants to invest for him in these Danish Five per Cent. Bonds the sum of £2,000. Whether he gave a written order on that occasion is uncertain, though probably he did. He had, however, no distinct recollection of that circumstance, and no order had been found; but nothing turns on that point, for it is quite clear that he gave authority to make the purchase. Accordingly, a stockbroker in the City did purchase on behalf of Dr. Griffith, that amount. The bonds were bought on the 2nd of Feb-

ruary, 1850, and were afterwards delivered at the bank of the defendants. They were five bonds of £400 each, and were numbered 370, 460, 459, 457, and 458. Dr. Griffith was forthwith debited in the books of the bank for a sum of £2,002 10s., which was the amount paid, including the commission, for the bonds so bought. The next transaction was in the month of April in the same year, when Dr. Griffith authorised the defendants to invest another sum of £1,000 in the same securities. On that occasion, the defendants gave the order to Messrs. Sims and Hill, stockbrokers, and accordingly, the latter made the purchase and sent it to the defendants' banking-house in one bond. The number of this bond was 87, and the defendants debited the prosecutor in the books of the bank to the amount of £958 15s. Their third transaction was in 1851, and, on that occasion, it is quite clear that a written order was given by Dr. Griffith to the defendants. That has been found, and it is an order desiring the defendants to invest £2,000 in the same securities as before mentioned. The defendants thereupon again instructed Messrs. Sims and Hill to purchase the amount, and the latter did so on the 10th of April, and forwarded the bonds on the 16th to the banking-house. The bonds consisted of two of £400 each, numbered 426 and 578; two of £300 each, numbered 793 and 794; and six of £100, numbered 657, 659, 660, 661, 662, and 663. For this purchase, the prosecutor was debited in the bank books of the defendants £2,037 10s. These several bonds were purchased by the defendants through the brokers, on these three several occasions, by the express authority of Dr. Griffith. The defendants regularly received the dividends on these bonds as they became due, and credited in their books Dr. Griffith with them. They received the dividends from time to time, and continued to do so until the 1st of March, 1854. It appears that, at that time, the firm of Strahan and Co. had got into certain difficulties, and had recourse to the desperate and guilty expedient of resorting to the securities they held in their hands, belonging to their customers, for the purpose of raising money to meet the necessities of the hour. It appears that, in the course of March, 1854, Sir J. Paul applied to a gentleman of the name of Beattie, secretary to a company called the National Insurance Company, to advance a sum of money on behalf of the company, in respect of and on the faith of these bonds. Mr. Beattie, however, answered that the company did not advance money on such securities, upon which Sir J. Paul asked him if he would dispose of some of these securities, in order to raise the money. Mr. Beattie consented to this transaction, and took some of the securities from Sir J. Paul, and placed them in the hands of Messrs. Foster and Braithwaite, brokers, in the City, for the purposes of sale. Among these securities, were the very bonds, the numbers of which I have enumerated, and which constituted security for £5,000. These were placed by Mr. Beattie in the hands of Messrs. Foster and Braithwaite, on the following day, the 16th of March. Messrs. Foster and Braithwaite gave their cheque for the amount of the sale to Mr. Beattie, including in it the sum of £4,793 13s. 6d. for the Danish bonds. The cheque being crossed, Mr. Beattie was unable to get it immediately cashed to hand over the proceeds to Sir J. Paul, but he paid the cheque into his bankers, as well as another cheque he had received at the same time on account of proceeds from other securities not concerned with this investigation. He then drew a cheque on his bankers in favour of Sir J. Paul, and gave it to Sir J. Paul. There is no doubt that Sir J. Paul received the money on account of that cheque, and made it available for the purposes of the firm. Therefore, so far as Sir J. Paul is concerned, there can be no question of his complicity in the guilty transaction of misapplying the securities which had been deposited with him for safe keeping. It will be made perfectly clear by the evidence that Sir J. Paul and his partner had no authority, direct or indirect, from Dr. Griffith, to sell or otherwise dispose of these securities. They had been deposited in their hands, as being the bankers of Dr. Griffith, for safe custody. Nevertheless, Sir J. Paul did dispose of them, and carried the proceeds, not to Dr. Griffith's account, but to his own use. Therefore, so far as Sir J. Paul is concerned, the case is quite clear against him. With regard to the other two defendants, what was the state of their knowledge of the transaction? That must be shown by other evidence. This transaction took place in March, 1854, and in the month of June in this year the embarrassments of the firm became so great that it was impossible for it to go on. It accordingly stopped, and became bankrupt. On hearing this, Dr. Griffith, who had at the time £32,000 worth of securities in their hands, became

considerably alarmed, and immediately put himself in communication with the official assignee, and asked what had become of his securities. The official assignee proceeded to the banking-house, and inquired about them. He was told by Mr. Strahan, in the presence of Mr. Bates, that the securities were either sold or pledged. He then asked whether, in any book, the securities of the customers were recorded; and Mr. Strahan and Mr. Bates looked at one another, and he got no answer. Shortly afterwards, Mr. Strahan proceeded to see Dr. Griffith, who, in the meantime, had laid a criminal information against the partners. Mr. Strahan acknowledged fully that the securities had been disposed of with his knowledge and co-operation, but urged most anxiously on Dr. Griffith to forego this prosecution, and not to adopt anything like a criminal proceeding. Dr. Griffith observed that he had a public duty to perform, and that, however unwilling he might feel to act hostilely towards gentlemen with whom he had been acquainted, he had no alternative but to enforce the application of the law against them. The jury will hear the details of the conversation which passed with Dr. Griffith, which will leave no doubt on their minds that Mr. Strahan thoroughly combined with Sir J. Paul in this transaction. In fact, the object was to raise money to meet the necessities of the bank; and, therefore, it will not be straining the evidence at all to say that what was done was done with the concurrence of Mr. Strahan; and it will be for the jury to say whether or not the transaction is brought fully home to Mr. Bates. The defendants are indicted under the 7th and 8th of George IV., chap. 29, section 49, which provides:—

‘And for the punishment of embezzlements committed by agents intrusted with property, be it enacted, that if any money, or security for the payment of money, shall be entrusted to any banker, merchant, broker, attorney, or other agent, with any direction in writing to apply such money or any part thereof, or the proceeds or any part of the proceeds of such security, for any purpose specified in such direction, and he shall, in violation of good faith, and contrary to the purpose so specified, in any wise convert to his own use or benefit such money, security, or proceeds, or any part thereof respectively, every such offender shall be guilty of a misdemeanour, and, being convicted thereof, shall be liable, at the discretion of the Court, to be transported beyond the seas for any term not exceeding fourteen years, nor less than seven years, or to suffer such other punishment, by fine or imprisonment, or by both, as the Court shall award; and if any chattel, or valuable security, or any power of attorney for the sale or transfer of any share or interest in any public stock or fund, whether of this kingdom, or of Great Britain, or of Ireland, or of any foreign state, or in any fund of any body corporate, company, or society, shall be intrusted to any banker, merchant, broker, attorney, or other agent for safe custody, or for any special purpose, without any authority to sell, negotiate, transfer, or pledge, and he shall, in violation of good faith, and contrary to the object or purpose for which such chattel, security, or power of attorney shall have been entrusted to him, sell, negotiate, transfer, or pledge, or in any manner convert to his own use or benefit such chattel or security, or the proceeds of the same, or any part thereof, or the share or interest in the stock or fund to which such power of attorney shall relate, or any part thereof, every such offender shall be guilty of a misdemeanour, and, being convicted thereof, shall be liable, at the discretion of the Court, to any of the punishments which the Court may award, as hereinbefore last mentioned.’ I shall show that these securities were purchased by the direction of Dr. Griffith, with his money; that they were left for safe custody in the hands of his bankers, and that they were disposed of, with the knowledge undoubtedly of two of the defendants, without the authority of Dr. Griffith, and that the proceeds were applied in such a way as brought the transaction within the terms of the statute he had referred to. These facts I shall prove distinctly, and I am at a loss to know in what way they can be met on the part of the defendants. It has been suggested that the defendants by disclosing in an examination before the Court of Bankruptcy all these circumstances, may avail themselves of the terms of another section of the statute, which enacts—

‘That nothing in this act contained, nor any proceeding, conviction, or judgment to be had or taken thereupon against any banker, merchant, broker, factor, attorney, or other agent as aforesaid, shall prevent, lessen, or impeach any remedy at law or in equity which any party aggrieved by any such offence might or would

have had if this act had not been passed; but, nevertheless, the conviction of any such offender shall not be received in evidence in any action at law or suit in equity against him; and no banker, broker, merchant, factor, attorney, or other agent as aforesaid shall be liable to be convicted by any evidence whatever as an offender against this act in respect of any act done by him, if he shall at any time previously to his being indicted for such offence have disclosed such act, on oath, in consequence of any compulsory process of any court of law or equity in any action, suit, or proceeding which shall have been *bond fide* instituted by any party aggrieved, or if he shall have disclosed the same in any examination or deposition before any commissioners of bankruptcy.

It is true that there were proceedings in bankruptcy, and that some disclosures were made by one of the defendants, or perhaps by the whole of them; but I believe that there will be very little difficulty in showing that whatever took place in the Court of Bankruptcy was done by concert and connivance. It was not a compulsory proceeding, but was resorted to purposely with the view that the defendants might avail themselves of a particular section in the act of Parliament referred to. The securities in question were sold in March, 1854, and after that, if I am not misinformed, the defendants bought other securities, with a view to replace those they had disposed of, and at a subsequent period, shortly before stopping, they disposed again of the new securities so purchased, not to the persons they sold the first to, but to other persons. Now, the disposal of these latter securities, to which the disclosure in the Court of Bankruptcy referred, is not the occasion of the present charge against the defendants. I know nothing that they may have subsequently done that is at all binding on Dr. Griffith. That gentleman authorized and intrusted them to purchase and keep specific securities with specific numbers, and it is for getting rid of those securities, without his authority, and converting the proceeds to their own use, that they are now charged. With respect to other securities which they may have purchased subsequently, I know nothing; and I believe, therefore, that this defence, if gone into, will fail. Having now stated the principal features of the case, I feel it is not incumbent on me upon the present occasion to say one single word which would tend to aggravate the position of the defendants, or which would operate to their prejudice. I shall simply proceed to prove the facts I have stated, and I do not believe that, either on the merits or law of the case, there can be any answer to the charge.

The evidence entered into was, in every detail, a repetition of that which has already appeared in the *Bankers' Magazine*. The case for the prosecution having been concluded,

Sir F. Thesiger wished to call their lordships' attention to the nature of the evidence against his client, Mr. Strahan. The indictment charged him with a misdemeanour in respect to certain bonds, which were numbered, and which were sold by Foster and Braithwaite in March, 1854. But there was no proof that Mr. Strahan had anything to do with that transaction, nor any evidence in support of the charge, except the conversation which had been stated by Dr. Griffith, and which conversation referred, not to the transaction in question, but to a transaction which had occurred only six weeks before that conversation. Dr. Griffith was told that his securities had been taken by Sir J. D. Paul to Messrs. Overend or Burnand about six weeks previously. It was clear that this statement could not apply to the bonds in question, which were sold in March, 1854, and, with the exception of a statement made by Mr. Bell, the official assignee, of a conversation of the 16th of June last, in which Mr. Strahan was stated to have told him that Dr. Griffith's securities were either pawned or sold, there was nothing to affect Mr. Strahan with a knowledge of the sale of these bonds by Foster and Braithwaite, and the payment of the proceeds of the sale to Sir J. D. Paul. He wished to know whether their lordships thought there was evidence to go to the jury as against Mr. Strahan?

Mr. Baron Alderson thought there was evidence enough to go to a jury.

Sir F. Thesiger wished to remind their lordships that £5,000 worth of Danish Bonds had been bought by the bank, and there was no evidence that any other customer except Dr. Griffith held this description of stock. Dr. Griffith had punctually received the dividends on this stock so replaced.

Mr. Baron Alderson thought there was evidence—he would not say how much or how little—to show that Strahan was a party to the representation to Dr. Griffith that the bank had these particular bonds safe at the time they were all gone.

Mr. Baron Martin and Mr. Justice Willes concurred.

Mr. James wished to know whether the court considered that there was any evidence as against his client, Mr. Bates?

Mr. Baron Alderson thought there was. The evidence was indeed rather stronger as against Bates, because he seemed to have been taking a more active part in the affairs of the bank than the others.

Sir F. Thesiger then rose to address the jury in defence of Strahan. He said,—May it please your lordships and gentlemen of the jury, I rise to address you with feelings of greater pain and anxiety than I ever experienced on a similar occasion before, and that pain and anxiety have not been lessened by an observation which was made by one of your lordships in reply to an application which I felt it my duty to make on behalf of Mr. Strahan, with reference to the position of the case now that the evidence for the prosecution is closed. My learned friend the Attorney-General, with that feeling and forbearance in the conduct of the prosecution which invariably characterise him, has told you that the gentlemen now before you have for many years maintained a high position in society, and a character of the highest honour and integrity. I cannot forget the position of Mr. Strahan, possessed of wealth and station, respected by numerous friends, surrounded by an affectionate family, and when I contrast that former position with his appearance to-day, I feel almost disabled from performing the task which I have been called upon to undertake. But these circumstances alone would not create the embarrassment which exists in my mind in undertaking the defence of this gentleman. I am not insensible to the fact that for weeks and weeks publications have appeared in the papers in which the conduct of these gentlemen has been strongly arraigned, and every prejudice excited against them in the public mind. It is the boast of this country that every person accused is regarded as innocent until a jury of his countrymen find a verdict of guilty against him. And yet these gentlemen have now been for many months brought before the bar of public opinion. They appear before you condemned by that voice, and you are supposed impartially to judge upon their case under these circumstances. Juries are generally warned that they must dismiss entirely from their minds all that they have heard before they assembled in court. Gentlemen, it is utterly impossible when once any idea or opinion has obtained admission into the human mind to dismiss it, and, indeed, the effort to dismiss it would only fix it the more firmly there. What I ask and expect from you is, that you will clearly discriminate between the impressions you have received from the publications to which I have adverted, and the evidence that you have now received on oath, and upon which alone you will have to determine the guilt or innocence of these parties. I do ask, and I do expect, that you will do that simply as an act of justice which, if it were your misfortune to stand in a similar position, you would expect to be done to you. Gentlemen, I trust that, when I call your attention and that of my lords to the charge against Mr. Strahan, and to the evidence which has been brought to establish that charge, whatever hasty impression you may have taken up—whatever opinion you have conceived on a partial view of the circumstances—will be removed by a careful and considerate judgment upon the facts that have been submitted to you. If I only succeed in placing clearly and intelligibly before you the position of Mr. Strahan in this case, as it is proved in the evidence, I am under no apprehension whatever that impartial justice will not be administered to him. Gentlemen, I am not here for one moment to deny that, in the month of April, 1855, Mr. Strahan did, unhappily, in a moment of pressure, agree to apply certain securities of his customers, for the purpose of relieving the necessities of the bank at that present moment. I am not here for one moment to justify such an act. It is not the act into which you are to inquire, but it may, and perhaps must, create a prejudice in your minds; and I am anxious to warn you against allowing it to exercise any improper influence upon you. It is most lamentable to think, that a gentleman who had so long maintained a character for honour and integrity, should have fallen away in a moment of temptation. It is the most extraordinary illustration of that solemn warning which cannot be repeated too often—"Let him that thinketh he standeth take heed lest he fall." It requires the labour of a whole life to build up a character for honour and virtue, which in one fatal and unguarded moment may be entirely destroyed. Although, therefore, I do not defend the act to which Mr. Strahan was unfortunately a party in 1855, yet the case which you are now considering against him is the charge of having mis-

appropriated the property of his customers in March, 1854; and I pray your attention to the evidence upon which it is sought to fix him with that act. The learned counsel proceeded to say, that the indictment contained various counts applicable to the appropriation of Dr. Griffith's bonds in the year 1854. An observation had dropped from one of the learned judges, calculated to convey an erroneous impression with regard to the act of one partner criminally affecting another. Although it was true that in civil proceedings the act of one partner affected another, yet he would declare with the utmost confidence, that if this were declared to be the law in criminal cases, it would be the first time that such a doctrine had ever been promulgated from the bench in any English court of justice.

Mr. Baron Alderson intimated that no such opinion had fallen from him.

Sir F. Thesiger would briefly call the attention of the jury to the state of the law previously to the passing of the act of the 7th and 8th of George IV., chap. 29. In the year 1812, if a banker or agent of any description, having the property of a customer intrusted to him, misappropriated or converted it to his own use he was not guilty of any criminal act, although he was responsible to his principal or customer upon any civil proceeding. This great defect in the law was not discovered until one Welch, a stockbroker, sold out certain stock belonging to Sir R. Plummer, Master of the Rolls. Welch applied the produce of the sale to his own use, and absconded. He was tried and was found not guilty of a criminal offence. An act of Parliament was therefore passed, by which any banker or agent who should sell and appropriate to his own use the securities of his customers without their authority was liable to conviction for a misdemeanour. A clause was introduced into the act that the penalty annexed should not extend to any partner or partners, unless such partner or partners should commit or be privy to such offence. Another act afterwards passed to make factors who should pledge the goods of their principals answerable in a criminal proceeding. This and the previous statute were embodied in the 7th and 8th of George IV., chap. 29, which applied both to bankers and factors. What the jury had to decide—apart from all prejudice and influence exercised by the public press, and apart from any feeling which they might entertain of the impropriety and immorality of Mr. Strahan's conduct in 1855—was, whether there existed sufficient proof that Mr. Strahan was privy to the act of selling the bonds in question by Foster and Braithwaite, in March, 1854. He was anxious, in defending Mr. Strahan, not to prejudice by any observations of his the case of the other defendants, but he was necessarily compelled to advert to the course taken by Sir J. D. Paul with respect to the sale of the bonds at the time he had mentioned. It was perfectly clear that no other of the partners except Sir J. D. Paul interfered to procure the sale of the Danish bonds by Foster and Braithwaite. Sir J. D. Paul applied to Mr. Beattie for a loan from the National Assurance Society, and when Mr. Beattie stated that his company were not in the habit of advancing money upon foreign securities, he entreated Mr. Beattie to dispose of them. No doubt the very bonds now in court were sold by Foster and Braithwaite, and that a cheque for £12,281, drawn by Mr. Beattie, and paid in bank-notes, was received by Sir J. D. Paul himself. This sum was not traced after its receipt by Sir J. D. Paul; but, even supposing he entered this sum in the books of the bank to the credit of the firm, that would not be proof in a criminal proceeding that Mr. Strahan or the other partners were privy to the act, because there was nothing to indicate what the nature of the credit was, and the fact of the credit could only be known after the act had been done. The money could not have been received until after the act charged had been done, and the mere knowledge of the credit did not show any participation in the act. The jury were called upon to decide upon a criminal charge which might be followed by the most serious consequences, and they were not to assume without any proof that Mr. Strahan must have had a knowledge of this transaction. Everything, indeed, indicated an absence of such knowledge on his part. The £5,000 of Danish Five per Cent. bonds, belonging to Dr. Griffith, having been disposed of in March; 1854, in June, 1854, the same amount of Danish Bonds was purchased by Sims and Hill for, and delivered to, Strahan and Co. There was no doubt that the dividends on these bonds were received by Strahan and Co. for Dr. Griffith, and that he was credited with the dividends in his passbook in September, 1854, and March, 1855. There was nothing to lead the jury to believe that Mr. Strahan was in the slightest degree aware



of the disposal of the former bonds of Dr. Griffith, and the substitution of those bonds on which the dividend had been paid. He now came to the conversations upon which his learned friend relied to fix Mr. Strahan with the guilty knowledge of the transaction of 1854. Dr. Griffith asked Mr. Strahan about his securities. Mr. Strahan said they had been taken into the City, either to Overend's or Burnard's. It was clear that this statement could not apply to the sale of the Danish Bonds in 1854. Mr. Strahan then told Dr. Griffith, "I assure you it is the first dishonest act of my life. I never defrauded a man of sixpence;" and he added that this had happened six weeks ago. But his learned friend was using this confession of a dishonest act in 1855 to affect Mr. Strahan upon a charge of disposing of bonds in 1854. No doubt if Mr. Strahan were a party to the transaction of 1854, it was an equally dishonest act with that of 1855. Mr. Strahan said nothing about 1854, but he said, "This is the first dishonest act of my life, and it was done six weeks ago." With respect to the evidence of Mr. Bell, that gentleman was not very clear in his recollection; but he would ask the jury in charity to consider, if Mr. Strahan really said that the securities were pawned or sold, that he was applying his observations to the only transaction within his knowledge, namely, that of the month of April in the present year. He believed he had stated the whole of the evidence on which the jury could be called criminally to convict Mr. Strahan on this serious charge. He believed that if the public mind had not been directed to this case with a great deal of curiosity, they would not have heard of there being any case upon such evidence to fix Mr. Strahan with any participation in the guilt of this transaction. Both on the counts respecting the pledging of these securities, and on the counts of conspiracy to pledge them, he maintained that there was no evidence against Mr. Strahan. The learned gentleman then referred to the disclosure made by Mr. Strahan before the Court of Bankruptcy, which, he said, had been made faithfully by that gentleman in respect to all the circumstances within his own knowledge. Before 1812 this misapplication by bankers or other agents of the property of their principals was only subject to civil proceeding, and was not a criminal act until made so by the statute passed in the 52nd of Geo. III. That provision had been enlarged and expanded by subsequent enactments, providing, at the same time that where a person had made certain disclosures, under compulsory process, in a court of law, he should not be indictable on that account. The 7th and 8th of George IV. enlarged the privilege, and extended it to the case of examinations before the Commissioners for Bankruptcy. From something that fell from the Attorney-General, he was inclined to believe that his learned friend meant to say that this disclosure on the part of the bankrupts was voluntary, and not compulsory, and, therefore, that that act did not apply. He thought that point must fail, for a bankrupt was bound, under the act of Parliament, to make a full disclosure connected with his property. Now, what was the disclosure made by Mr. Strahan? He solemnly declared he knew nothing but the pledging of Dr. Griffith's bonds to Messrs. Overend, Gurney, and Co., in April, 1855, and the whole of his disclosure amounted to demonstration clear that he was ignorant of any previous transaction with respect to these bonds. There was not the slightest evidence of the participation of Mr. Strahan in the transaction of 1854. If, then, Mr. Strahan knew nothing more than the transaction of 1855, and if he disclosed that fully, then he would be rightly entitled to that defence, which he might use as a shield against the present assault on him. With respect to the conspiracy counts, he maintained that, supposing the defendants relieved by the disclosures they made from the charge of any criminal act, they could not be rendered liable for a conspiracy to do that act. In conclusion, the hon. and learned gentleman earnestly and anxiously entreated the jury to look carefully at the whole evidence, and, apart from all prejudices, to consider what it was that was charged against the parties on this occasion, and what was the evidence against Mr. Strahan; and he expressed the most entire confidence that, according to the first principles of the criminal law, as administered in this country, Mr. Strahan had not been affected by any evidence with respect to the particular transaction on which the verdict of the jury was to be taken.

Mr. Serjeant Byles fully participated in the feelings expressed by his learned friend, and believed that a more painful spectacle than the present had seldom been exhibited in a court of justice. He conceived that the anguish of mind the present position of the defendants must have caused them was adequate punishment for

any act of theirs done in an unguarded moment, and under the pressure of the most irresistible distress. He should not have begun with these observations if he did not know that their case had been prejudiced, and that they had been tried and condemned by the press, on the leaves of which we lived, and, like other insects, took our colour from. *Ex parte* statements had appeared in the columns of the daily press, and he should not be doing his duty if he did not allude to them. Sir J. Paul had been charged with being a religious man only for his own selfish gains; and of assuming the character of a benevolent person only to attract charitable societies to his bank, which societies he afterwards caused to be great losers by his failure. That was an utter calumny. He was a benevolent man from his own means while yet young and when his father was living, and his charity was evinced in supporting incumbents in poor places, and not in niggardly advancing his own interests. There were witnesses in that court to the truth of what he was saying, and even the prosecuting counsel himself had declared that, until the date of the transactions into which they were now inquiring, Sir J. Paul was considered a person of unquestioned integrity and honour. He did not deny that these bonds were disposed of by Sir J. D. Paul, but upon the failure of Gandell for £300,000, who was largely indebted to the bank, Sir J. D. Paul was desirous of raising money on these bonds. He did raise money upon them, but with the full intention of replacing them immediately, which he did. He bought the same number of bonds back in the following June, and replaced them at a sacrifice. He paid Dr. Griffith the dividends on these bonds, so that the doctor sustained no loss of interest; and it was for selling these bonds on the 16th of March and buying them on the 1st of June following, at an advance, that Sir J. D. Paul was now on his trial before the jury. Sir J. D. Paul did not entrust him to say, and he did not say, that in raising this money, although he replaced the bonds, was not doing wrong. Sir J. D. Paul admitted he did wrong, but he replaced Dr. Griffith's bonds at a loss to himself.

Mr. Baron Alderson—Is it quite certain he did replace them?

Mr. Serjeant Byles—I do not say he replaced the identical bonds.

Mr. Baron Alderson—Probably the £5,000 by which they were replaced was the property of his assignees.

Mr. Serjeant Byles said, it was clear that the bonds which were purchased in June, 1854, were substituted for the bonds that were originally used. All the defendants could do was to buy similar bonds, and this purchase of bonds of the same kind and amount was the same as if the same bonds had been bought. When the affairs of the bank came into the Bankruptcy Court, it was Sir J. D. Paul's duty to make a disclosure of what he had done, and, having made a full disclosure of all his dealings, he was no longer liable to criminal proceedings. The petition for adjudication was not sued out in the Court of Bankruptcy with any view to these proceedings. The Attorney-General said that this was a voluntary step, but a bankrupt was obliged to make a full disclosure of all his acts. The examination was compulsory, and the point was, whether the questions put by the assignees and the answers given were such a disclosure as the act contemplated. This point of law would be determined by their lordships as to them would seem fit.

Mr. James said, he should rest the case of the defendant Bates upon his total ignorance of the sale of the Danish bonds through Foster and Braithwaite. There was an entire absence of any evidence to show that he was a party to that sale. The mere fact that Mr. Bates was a partner in the firm in 1854 was not enough to fix him with the criminal consequences of this alleged transaction. The transaction of 16th of March, 1854, was the transaction of Sir J. Paul, and Mr. Bates was not implicated in it; and after the pledging of the bonds to Overend, Gurney, and Co. became known to Mr. Bates, he discovered the whole transaction. There was not a tittle of evidence to show that he was aware of the former transaction. A man might be deceived by his partner having the financial management of a bank, and, in respect to a criminal charge of a most serious nature, the punishment, on the first principles of moral justice, should fall only on the guilty. Even the Attorney-General had expressed some doubt whether the charge was fully brought home to Mr. Bates. He knew the importance of this trial, involved as it was with the interests of commerce. Probably, many within the sound of his voice might have severely suffered from the fall of this house, once so respectable. It was perfectly

possible that the jury might be attacked by the press for giving a *harmless and discriminating* verdict; but still he felt confident that they would discharge their duty firmly. He asked for Mr. Bates no more than *strict impartiality* and a *careful examination* of the evidence, and then he confidently anticipated that they would find a *favourable verdict* in the case of his client.

The case was here adjourned until the next morning, at ten o'clock.

It being a charge of misdemeanour only, the jury were allowed to depart, and the defendants were also permitted to be at large, upon renewing the recognizances and bail, under which they had surrendered. The bail of Mr. Bates only being in appearance, the other two defendants were detained in custody.

The trial was resumed this morning (October 27), at ten o'clock,

Baron Alderson, Baron Pollock, and Mr. Justice Willes having taken their seats.

The Attorney-General inquired of the Court what course should be taken in reference to the decision upon the point raised on behalf of the defendants, that having made a full declaration under the fiat of bankruptcy they were not criminally liable.

Mr. Baron Alderson—That will be a question entirely for the Court and not for the jury. The question is, what is meant by the word "disclosure" in the act of Parliament, whether it means something that was known before or something that was not known before. If the Court should be of opinion that the disclosure made is that contemplated by the act, then it will be our duty to instruct the jury that there is no evidence before them.

Mr. Serjeant Byles—In this case the disclosure is complete. The bankrupts surrendered. They said, "Here we are, and this is what we have done with the bonds."

Mr. Lawrance Abrahall, Registrar of the Court of Bankruptcy, put in the formal record of the proceedings in bankruptcy, and the disclosures of the bankrupts made in the course of their examination at the Bankruptcy Court as to the disposal of the £5,000 Danish bonds, which forms the subject of the indictment—their sale in March, 1854—the purchase of other bonds subsequently, and the depositing of these with Overend, Gurney, and Co., in April last.

Mr. Lewis, attorney for the defendants Paul and Strahan, examined by Serjeant Byles—The defendants consulted me after their stoppage, and it was by their advice that the statements read were prepared. They consulted me with a view, amongst other things, of making the disclosures within the statute. That statement was produced to the Commissioners, and the bankrupts requested that it might be handed in as their statement with reference to the securities they had received from customers and the manner of their disposal.

The Attorney-General—Not with reference to these solely.

Witness—As to the securities generally, and the manner of their disposal.

By Serjeant Byles—The commissioner stated that as no creditor asked for them, the bankrupts might hand them in, if they thought fit, to the official assignee. The statement was then handed in, with the deposition which appears upon it, and which has just been read. To the best of my recollection, the commissioner (Evans) signed it. (It was signed.) After that the solicitor to the fiat, Mr. Lawrance, placed the account in the hands of the official assignee, and then examined each bankrupt separately as to the truth of the statements contained in it. He asked each bankrupt, separately—"Is this a true account of all securities of any customers at any time pledged or converted by you?" They answered, "Yes." The question and answer were reduced to writing, and signed by the bankrupts.

Cross-examined by the Attorney-General—Did not Mr. Parry apply to be allowed to examine them as to the truth of the statements they had handed in?

Witness—Yes; with reference to the securities, the account of which had been handed in.

Cross-examination continued—The commissioner said, that if any such application were made by a creditor, he would allow it, but on the bankrupts' own application he refused. Mr. Parry then said that he tendered this declaration of the bankrupts as the declaration required under the Bankruptcy Act, and he added that they had a right, under the statute, to put it in. Did not hear Mr. Parry say to Mr. Lawrance, "Do you wish to ask the bankrupts any questions?" It might

have been said, but I was engaged at the time. Mr. Lawrance refused to aid me in any way in bringing up the bankrupts from the House of Detention, when they were in custody, and I had to apply to another commissioner for a warrant for that purpose. They had been examined at Bow-street on that day upon the charge preferred against them by Dr. Griffiths. It was after their examination before the magistrate that I applied to have them brought up.

Mr. Sergeant Byles put in the bankrupts' stock-book in which accounts of the purchases and sales of stock and sureties were entered. He was instructed that this book contained nothing with regard to Dr. Griffith's securities.

Baron Alderson—Then I cannot see how it will help you. I will make a note that it contains nothing affecting those securities.

Mr. Serjeant Byles—I put it in in case the Attorney-General should wish to examine it. The learned counsel then put in the bankrupt's ledger, in which was an entry on the credit side of £12,281 4s., the produce of the bonds sold on 16th March, 1854, and on the debit side, under date 15th June, an entry of £5,100, as the purchase-money of the substituted bonds which were afterwards deposited with Overend and Co.

Mr. Boyce, clerk to Overend and Gurney, proved the depositing of the bonds with this house by Mr. Young, the solicitor, who it afterwards appeared had borrowed the money upon them for Sir John Paul, his client. The witness identified the numbers of these bonds. They were deposited with Overend and Gurney on the 30th of April, 1855.

Mr. Savory was recalled to prove that the dividends had been regularly paid on the substituted bonds, but

Mr. Baron Alderson said it was clear that the money had been credited regularly as it became due.

This closed the case for the defence.

The Attorney-General then proceeded with his reply. He disclaimed all intention to act harshly against the defendants, but simply to carry out the ends of justice. The case divided itself into two distinct points. The first was for the jury; the second for their lordships—the one whether the evidence was sufficient to convict, supposing the indictment could be sustained after the disclosures under the bankruptcy; and the other, whether, after that disclosure, there was, in fact, any evidence at all to bring the defendants within the statute. The first question was, had the defendants made away with the securities entrusted to them, in contravention of the terms of the statute. With regard to one of the defendants, Sir J. Paul, it was not denied that he had made away with securities, and the defence he relied upon was that a full disclosure had been made, and unless that was held to be sufficient by the Court he must be found guilty. He admitted that the case of the two other defendants was somewhat different. His learned friend, Sir F. Theigier, had put the case as though his client knew nothing whatever of what had been done by his partner Sir J. Paul. But his learned friend rested his case wholly upon what Mr. Strahan said in his interview with Dr. Griffiths. But he (the Attorney-General) was not disposed to put implicit faith in a statement made for the purpose of avoiding the consequences of the criminal act with which he was charged. The strength of the case as against Strahan was not merely his own declaration, but the proof that they had been disposing of the securities of their customers for years. The disclosures made under the statute made the case ten times stronger, for it showed that they had carried on this system to the extent of upwards of 120,000*l*. The ledger in which these transactions appeared, though it purported to be the private account of Sir John Paul, was evidently the account of the firm. The entries were not those of the account of any one of the partners, but evidently related to the account of the partners generally, in reference to the disposal of their customers' securities. (The learned counsel then read the items, which varied from £30,000 downwards, and generally tallied with the amounts received upon the sale or mortgage of securities, and the payments on the other side, with the amounts paid for the re-purchase or recovering such securities, and he observe that in April, when the firm were in such a state of extremity that they were obliged to obtain advances from Overend and Gurney, there appeared a balance in this ledger in favour of Sir John Paul, of upwards of £27,000). He contended that this book, as well as the evidence generally,

clearly proved that all the partners were cognisant of what Sir John Paul did. Turning to another part of the case, the evidence on the part of the defendants, his learned friend had shown that Sir John Paul had disposed of certain securities, not the securities originally deposited as those of Dr. Griffiths, but the securities substituted for them. The order to the broker to purchase the original securities was given on the authority of the firm generally, but if the original securities were misappropriated by Sir John Paul, without the knowledge of the other partners, it was difficult to understand how they could have been parties to the re-purchase and substitution of other securities, in lieu of those so misappropriated. They said, "We have made a disclosure of the second transaction, which disclosure protects us from the consequences of the first." With regard to Sir John Paul, even assuming his disclosure as to the transaction with Overend and Gurney to be complete, that, he (the Attorney General) apprehended was no answer to the case.

Mr. Baron Alderson—I own I am certainly of that opinion, it is a disclosure of that which is no offence, as an answer to that which is.

The Attorney-General resumed, and contended that the disclosure made under the advice of Mr. Lewis, the solicitor, was not a *bona fide* disclosure under the bankruptcy laws, but a disclosure for the purpose of setting the creditors at defiance, and protecting the bankrupts against the consequence of their criminal acts. The disclosure was made voluntarily without any examination. The Commissioner refused to examine them unless some creditor desired it, and as no creditor desired it they were not examined upon it.

Mr. Baron Alderson—Whether that was sufficient or not, is a question, not for the jury, but for the Court.

Mr. Serjeant Byles—I hope your lordship will reserve the point.

His Lordship—If there be any doubt in the mind of the Court, we will reserve it, but otherwise I am not disposed to reserve points. We should not reserve it unless there were a difference of opinion amongst the judges in any other case. My own opinion is, that it is not a case for the jury at all.

Baron Martin also expressed his opinion that there was no question to be put to the jury in this part of the case.

The Attorney-General, after some further remarks, said the question for the jury was whether Mr. Strahan and Mr. Bates, or either of them, were parties to the sale of the securities belonging to Dr. Griffith, in March, 1854.

Mr. Baron Alderson summed up. The question was, did the defendants sell the securities of Dr. Griffith contrary to their trust. If so, they were guilty of the misdemeanour. As against Sir J. D. Paul, the case pressed more hardly than against either of the others, and as against Strahan more hardly than against Bates, that would probably be the order in which the jury would have to consider the question as to the guilt of the parties. His lordship then recapitulated the evidence of Dr. Griffith, showing that he ordered the defendants to purchase the bonds and keep them in safe custody, the fact of their purchase, their subsequent sale without authority, the appropriation of the proceeds to their own purposes, the particulars of the interview between Dr. Griffith and Strahan after the bank had failed, in which the latter stated that the bonds had been disposed of in such a manner that Dr. Griffith could not get at them, and that he (Strahan) was as much responsible for the transaction as Sir John Dean Paul, and that that was the first dishonest transaction he had been engaged in in his life, and the defence set up that this conversation related entirely (in so far as Strahan was concerned) to the transaction of the deposit of bonds with Overend and Gurney in April; and remarked that the jury must, of course, take into consideration the circumstances under which that statement was made, warrants having been issued at the time to apprehend the defendants on the criminal charge. The evidence of Alexander Beattie proved the pressure upon the bank in 1853-4, and the sale of the bonds through Mr. Beattie's brokers, Foster and Braithwaite, and the payment of the money over to Sir John Paul by an open cheque of Mr. Beattie's, instead of by the cheques given by the stock-brokers. There was no doubt, therefore, of the sale of the bonds by Sir John Paul, as charged in the indictment. The act of breach of trust was clear as against him; and unless the disclosure under the fiat of bankruptcy exonerated him, he was liable to punishment. As to the complicity of the other two defendants, he observed that a partner was responsible civilly for the acts of his co-partner, but not criminally. In a criminal

act, to make a man liable he must be personally, in some way or other, a party to the act, that was, if he did not personally perform or take part in the act itself, he must authorise it some way or other, or be cognisant of it. At the same time, it must not be forgotten that Strahan and Bates were partners, and as such, must naturally be supposed to know of what was going on in the concern, and it was for the jury to say, whether, as being partners, they did not know of the transaction. In the first place the money paid by Foster and Braithwaite, on account of the bonds sold, was entered in Sir J. Paul's book, and the aggregate of the sale, £12,281 5s., was brought to the credit of the bank. This was an important point for consideration. Then it must be presumed that the partners were generally aware of the securities in their strong room, and whether any of them were abstracted. It did not follow, however, that they were necessarily aware of such abstraction; but this was one among other matters in the evidence which the jury would have to consider. In reference to the disclosure before the Court of Bankruptcy, it was to be observed that Strahan's declaration spoke of the £10,000 bonds converted, but not of the £5,000, and stated that the account rendered was a true account of the bonds and securities converted by him. With regard to Bates, the case was less strong, as to his knowledge of such conversion, in so far as his declaration went, for he gave the account as that of securities converted, not by him personally, but by the firm. Passing from the circumstances of the case, as they appeared in evidence, he turned to the question which would be for the decision of the Court. The act of Parliament was regularly worded. It declared that no banker, broker, agent, or other person liable under the act, should be liable to conviction by any evidence whatever, in respect of any act done by him, if he shall, at any time previously to his being indicted, have disclosed such act on oath, in consequence of any compulsory process in any court of law or equity, or in any action or *bond fide* process, or in examination or deposition before any court or commissioner in bankruptcy. And the act gave to the Court of Bankruptcy the right of examining on oath. But the inference was that Parliament intended that the Court of Bankruptcy should have the power to call for such disclosures, and not that a person who was guilty of an act which, upon conviction, made him liable to transportation for fourteen years, should escape the consequences of that act by going to a commissioner of bankruptcy, and tendering a statement. After calling attention, also, to the fact that, in the declaration made to the Court of Bankruptcy, no reference was made to the bonds which formed the subject of the indictment, but merely to the bonds deposited with Overend and Gurney, and repeating that the question of the effect of the disclosure would be for the Court only to consider, he left it to the jury to pronounce upon the guilt or innocence of the defendants.

#### THE VERDICT.

After consulting together for a few moments, the jury expressed a wish to retire; and after an absence of half an hour, returned a verdict of *GUILTY* against all the prisoners.

Mr. Baron Alderson to the jury—What is your opinion as to the other point?

The Foreman—That there has been no disclosure within the meaning of the act.

Mr. Baron Alderson—Ah, you think not? Do you think, then, it was a sham?

The Foreman—We do.

Mr. Baron Alderson suggested that as the judges were unanimous that the disclosure under the bankruptcy would not save the prisoners, the verdict had better be entered upon the first and third counts, under which the question would not arise.

This having been done,

#### THE SENTENCE.

Mr. Baron Alderson proceeded to pass sentence. He said—The prisoners at the bar had been found guilty of the offence of disposing of securities entrusted to them as bankers by their customers for safe keeping, and for their use, but which they (the prisoners) had appropriated, under circumstances of temptation, to their own. A greater or more serious offence could hardly be imagined in a great commercial community like this, or one that tended more to shake the confidence of all persons in such establishments as that which they had so long, and for some time so honourably conducted. He very much regretted that it had fallen to his lot to pass

sentence upon persons in their position, but the public interest and public justice required it, and it was not for him to shrink from his duty, however painful it was to him. He could have wished that that duty had fallen upon some one else, recollecting as he did that he had more than once met, at least one of the prisoners under far different circumstances, sitting by his side in high office, instead of being before him in the prisoners' dock. All the prisoners had been well educated and had moved in a position of society. The punishment which was about to fall on them, therefore, would be far more severe, far more heavy, and much more keenly felt than it would probably be by persons in a lower condition of life. It would also, he regretted to say, afflict those who were connected with them, and who would naturally feel their present position with great severity. These, however, were not considerations for him at that moment; all he had to do was to say that he could not conceive any worse case of the sort that could arise under the statute under which they had been convicted, and that being the case, he had no alternative but to pass upon them the sentence which the act of Parliament provided for the worst class of offences arising under it, that was that **THEY BE SEVERALLY TRANSPORTED FOR THE TERM OF FOURTEEN YEARS.**

The prisoners were then removed in custody, and the Court adjourned.

## Reports of Joint-Stock Banks.

### THE AGRA AND UNITED SERVICE BANK.

THE forty-fourth half-yearly general meeting of shareholders of this bank was held at Calcutta, on the 15th of August.

The advertisement convening the meeting having been read, Mr. J. Gregory Vos presiding, the following report was read by the secretary:—The directors have the pleasure to place before the proprietors the balance-sheet of the bank, and the usual accounts, signed by the auditors, up to the 30th June. It will be seen that the net profits, for the six months ending on that date, amount to Rs. 4,55,976-15-1, being at the rate of Rs. 19-0-3 per cent. per annum on the paid-up capital. By a resolution of the last half-yearly general meeting, the dividends were limited to nine per cent. until the reserve fund should amount to fifteen lacs. Some of the shareholders having expressed dissatisfaction at this limitation, and most of them recommending the substitution of ten per cent., the directors have taken the views of the proprietary in India on this point, and the result shows that a large majority are in favour of the latter rate. The directors, therefore, recommend that a dividend at the rate of ten per cent. be now declared, which will leave Rs. 1,05,976-15-1 to be credited to the reserve fund. Since the special general meeting of the 14th of July, a sufficient number of votes from Indian shareholders has been received in favour of the augmentation of capital, in terms of the recent circular, and which will accordingly be carried out in the mode proposed. The meeting was then made special, for confirmation of the proceedings of the special general meeting of the 14th July last, relative to the proposed increase of twenty lacs to the existing capital. The secretary presented the following abstract of votes, and stated that these comprehended a large majority of the whole votes of the company, and two-thirds of those of shareholders resident in India, as required by the fifth clause of the deed of partnership.

	Shareholders.	Shares.	Votes.
For the proposed increase of capital...	330 holding	11,243	entitled to 1,573
Against ditto .....	18	462	70
Majority .....	312	10,781	1,503

And it was therefore resolved :—

“ That the resolution of the special general meeting of the 14th July last, that the capital of the bank be increased in the sum of twenty lacs of rupees, in terms of the propositions annexed to the circular of the 4th June, be now confirmed.”

# BANK OF BOMBAY.

At the yearly general meeting of the proprietors of the bank, held on the 6th of August, under section 36 of Act III., of 1840, at 11 in the forenoon, Mr. Edward E. Elliot, president, in the chair.

Mr. Stuart, the secretary, read the notice, as published in the *Government Gazette* and the newspapers, calling the meeting; also read section 36 of the bank charter, under which the meeting was held.

The secretary submitted the following balance-sheet of the affairs of the bank, made up to the 30th June last, which was afterwards laid on the table for the inspection of the proprietors.

The Chairman stated that General Waddington, C.B., had very kindly prepared a plan for the new bank-office, which had met with the entire approval of the directors, and that Captain Tremeneere had made out estimates for the cost of the building; but, in consequence of his departure from Bombay to take up his appointment at Kurrachee, the building would be constructed under the superintendence of Major Cruickshank. After considerable and unavoidable delay, the contract was signed, and the contractor had undertaken to have the whole completed within five years, at an estimated cost of Rs.145,126-5-3, and it was anticipated that no further delay in the execution of the work would now take place.

Proposed by Colonel Swanson, seconded by Mr. Don, and resolved :—  
“ That the accounts now submitted be passed as correct and satisfactory, and that the meeting approves of the arrangements made by the directors for getting a suitable office built for the bank.”

The thanks of the meeting were then voted to the chairman, and the meeting dissolved.

## Statement of the affairs of the Bank of Bombay, on the 30th June, 1855:

### LIABILITIES.

To Proprietors' capital ... ..	Rs. 5,225,000	0	0
Bank notes and post bills in circulation ... ..	5,710,893	0	0
Deposits and all other liabilities ... ..	2,141,600	0	0
Reserved surplus fund, including net profits for the half-year ... ..	306,334	0	0
	<u>Rs. 13,383,827</u>	<u>0</u>	<u>0</u>

### ASSETS.

By Government securities ... ..	Rs. 3,571,100	0	0
Loans and cash credits on deposit of securities ... ..	5,227,749	0	0
Bills discounted ... ..	1,958,363	0	0
Other securities ... ..	225,876	0	0
Cash on hand ... ..	2,400,739	0	0
	<u>Rs. 13,585,827</u>	<u>6</u>	<u>9</u>



*Profit and Loss Account.*

To six months' dividend on the capital stock, at the rate of 9 per cent. per annum, payable on 12th July, 1855	235,125	0	0
Balance of reserved surplus fund ... ..	71,208	0	0
	<u>Rs. 306,333</u>	<u>0</u>	<u>0</u>
By balance of reserved surplus fund on the 30th December, 1854 ... ..	42,339	0	0
Net profit for the half-year ending 30th June, 1855, after paying all the current expenses of the bank	263,994	0	0
	<u>Rs. 306,333</u>	<u>0</u>	<u>0</u>

(Signed) JAMES BLAIR,  
Head Accountant.

Bank of Bombay, 2nd July, 1855.

## MERCANTILE BANK OF INDIA, LONDON, AND CHINA.

Bombay, 17th August, 1855.

The Directors have the pleasure to present the shareholders with a statement of the bank's accounts for the half-year ending 30th June last, with the auditors' and solicitors' reports annexed. The net profits of the bank for the above period is Rs. 1,70,408-4-2; and after payment of a dividend at the rate of 8 per cent. per annum, there remains a balance of Rs. 38,781-4-2 to the credit of the reserve fund, which now amounts to Rs. 79,108-15-2.

By order of the Board,  
GEORGE P. ROBINSON,  
Manager.

*Balance-sheet for the half-year ending 30th June, 1855.*

LIABILITIES.			
Proprietors' capital ... ..	Rs. 32,88,266	10	8
Current accounts and fixed deposits ... ..	14,22,218	5	10
Balances due to other banks and agencies ... ..	11,57,408	3	7
Bills for collection ... ..	47,189	8	8
Bills payable ... ..	24,52,085	14	0
Unclaimed dividend account ... ..	1,008	0	0
Suspense account ... ..	1,12,423	3	9
Reserve fund ... ..	40,324	11	0
Profit and loss ... ..	1,70,408	4	2
	<u>Rs. 86,91,332</u>	<u>13</u>	<u>8</u>
ASSETS.			
British bills of exchange on hand ... ..	38,80,613,	3	4
India and China bills on hand ... ..	3,17,560	13	2
Bills discounted and loans ... ..	10,95,472	3	8
Cash credits ... ..	1,61,134	13	7
Government securities ... ..	7,14,703	8	0
Bullion on hand and in transmission ... ..	17,35,318	1	8
Dead stock ... ..	12,131	7	0
Stamps on hand ... ..	2,002	14	8
Balance of cash at bankers', and on hand at head office and branches ... ..	7,72,395	12	7
	<u>Rs. 86,91,332</u>	<u>13</u>	<u>8</u>

*Profit and Loss Account.*

To total amount of expenditure for head office and branches, including rent, salaries, stationery, &c. ...	1,20,890	12	7
To balance ... ..	1,70,408	4	2
	<u>Rs. 2,91,299</u>	<u>0</u>	<u>9</u>
Aug. 8, 1855...To dividend of 8 per cent. on capital ...	1,31,624	0	0
„ To balance to credit of reserve fund ...	38,784	4	2
	<u>Rs. 1,70,408</u>	<u>4</u>	<u>2</u>
By total amount of profits at head office and branches	2,91,299	0	9
	<u>Rs. 2,91,299</u>	<u>0</u>	<u>9</u>
June 30, 1855...By balance ... ..	1,70,408	4	2
	<u>Rs. 1,70,408</u>	<u>4</u>	<u>2</u>

*Reserve Fund Account.*

Aug. 8, 1855...To balance ... ..	79,108	15	2
	<u>Rs. 79,108</u>	<u>15</u>	<u>2</u>
Dec. 30, 1853...By amount per last balance ... ..	40,324	11	0
Aug 8, 1855...By balance from profit and loss account	38,784	4	2
	<u>Rs. 79,108</u>	<u>15</u>	<u>2</u>
Aug 8, 1855...By balance ... ..	<u>Rs. 79,108</u>	<u>15</u>	<u>2</u>

Communications.

*To the Editor of the Bankers' Magazine.*

BANK CLERKS' SALARIES.

SIR,—On the subject of bank salaries I wish to say a few words. Keep down the salaries of your officers? A more mischievous recommendation can hardly be conceived. Next to having a dishonest clerk, the greatest evil is to have one that is badly paid. If he is known to be poor, his services will be of less weight with customers. But worse than this will be the effect produced upon his own mind. He will not be, and cannot be, so efficient a clerk when badly paid as he would be if he received a liberal salary.

It is the besetting sin of men of business, that they never pay attention to mind; though among no class are mental phenomena more strikingly exhibited. The amount of his salary is the only tangible means by which a clerk can judge how far his services and his character are appreciated. It is not the money alone, but the feeling, of which the money is an indication, that produces an effect upon the mind.

I am, sir, yours very truly,

Derby, 4th Oct., 1855.

P. & L.

## RENEWAL OF THE BANK OF ENGLAND CHARTER.

SIR.—However unwilling I may be to occupy any portion of your page needlessly, to the exclusion of your more able correspondents, I have again to ask the favour of your inserting these my views and opinions on the above question, in continuation of my former letter published in your number of December last; and I shall endeavour, whilst so employing my pen and thoughts, to adhere to truth, justice, and impartiality. The publication of my previous communication does not appear to have drawn forth any reply deserving of notice, if I except one from a "Subscriber at Dublin," in your April number, and likewise a letter under the signature of "T." in your March number; the latter having been very ably responded to by "J. A. S." also in your last April periodical. As the question appears to be made the subject of a correspondence between the two latter writers, it would on my part perhaps have been quite as well to have allowed it to remain in their hands, without any further trouble or interference. Being, however, desirous that your readers should not be misled by the evident want of knowledge on the subject displayed by "T.," and at the same time wishing to convince him, I shall be at no loss to support my previous views, by a corroboration of facts and data. I will, with your permission, engage the attention of yourself and subscribers for a brief while in returning to or resuming my opinions on the subject.

It will doubtless be fresh in the memory of those who perused my letter of December, that I considered the banking community of this country may be divided into three classes, viz., the Bank of England, the Joint-Stock Banks, and the Private Banks or Bankers: pronouncing the two latter to be, in repute, extent, and importance, equal to the former, or Bank of England—a single corporate body. Now, included in the two classes here defined, is comprised the *non-issuing* portion of the banking community throughout the kingdom—a body who are in the possession of, having the command and control over, and the disposal of, for the entire national wealth, an enormous capital or fund, amounting to not less than from two to three hundred millions; and what I have before assumed is this, that this mighty engine, continually in work and motion to aid and supply every imaginable description of national labour, industry, and enterprise, does not meet with the same protection at the hands of our legislature, who withhold from this branch or portion those manifold privileges which they have with so lavish a hand and for so long a period of time bestowed on one single corporate body, the Bank of England. Another cause for complaint or objection, on the part of the non-issuing banks, is, that they are not only so unjustly dealt with, but that, consequent upon the sound and independent system which they adopt, of not issuing their own manufactured paper, they are so far subservient to the Bank of England, in being compelled to resort to the issue of the paper of the latter, to meet the entire demands made on them. We see this in the metropolis, in Manchester, and in Liverpool; in those places, there being one bank of issue only, the Bank of England. And whilst on this head, can I better support my former arguments—viz., that the privilege of converting paper into money for the use of an entire community should not be granted to any individual or body of men, save to the executive of the country only—than by asking, why should we have in the other parts of the kingdom a different system than that which regulates the currency operations in such important places as London, Manchester, and Liverpool?

A denial has been given to my assertion, saying no ill feeling or jealousy exists on the part of the banking community towards the Bank of England, for privileges unjustly dealt. In proof that such does exist, I will only refer your subscriber "T." to no less an authority than Mr. J. W. Gilbert, when giving his evidence before a select committee of inquiry of the House

of Commons in 1841. In reply to the questions asked by the "Subscriber from Dublin" in your April number, as respects the "Institution of a State Bank," I am bound to admit, or confess, that since the publication of my views on the question, the embarrassed position into which our Government has been placed, arising from the disastrous effects of the unfortunate war in which we are at present engaged, renders it a duty on every friend or well-wisher of his country, not to urge any interruption (which at this precise juncture may be deemed as wild or visionary) to the connection as it at present exists between the Government and the Bank of England; to the latter, the country having unfortunately to resort, as we have recently found, for every assistance to extricate it from its financial difficulties. This, however, the effect of circumstance, cannot be construed into an argument against the propriety or wisdom of the creation of a State bank, or single bank of issue; but, on the contrary, may be advanced as an argument in its favour, and may be thus illustrated.—Had the Government or country, for the last half century, been in possession of and enjoyed the same control over and command of all the public revenues which have flowed into the hands of the Bank of England—the receiver-general of national finance; and the profits and emoluments derivable from the use of this great mass of revenue had accrued to its rightful participators; the nation, instead of having gone to the proprietors of bank stock, the reverse to what we now see would likely have ensued—the Bank being at the mercy and resorting for assistance to the Government, instead of, as we here see, the country, with bad management, always under the control, or at the will and pleasure, of the Bank directors to help it out of its embarrassed financial position.

I may further reply to the questions put by your subscriber, that great gains and emoluments would arise to a "State Bank," notwithstanding its being prohibited in mixing up its operations, or interfering with the system which constitutes the business of the banking community at large. A "State Bank," as proposed to be instituted, would be the sole fountain from which would flow the whole of the circulating medium, both paper and metal; and between this institution and the community, the dispensing agency would be the universal banking interest of the Kingdom; that connection which now exists between the two interests—say the Bank of England and the rest of the banking community—for the purpose of promoting the use, the circulation of the former would be dissolved and transferred to that of a national institution—the Bank of the State; and such a new connection would not be unattended with vast gains, privileges, and emoluments, to one and both. The importance which I attach to the non-issuing portion of the banking interest, as compared with those who issue their own manufactured paper, claims from me the endeavour to distinguish that which constitutes the difference between the one system and the other.

Banks of non-issue employ for their own use, and to supply all demands on them, either the current coins of the realm or the paper of the Bank of England, which is a legal tender, deriving this, the material of their circulating medium, from their assets or capital; and this, when once departed from their coffers or paid away, gives them no care, solicitude, or uneasiness as to how it is to be provided for, in respect to its returning upon them. When paid away, it flows into an universal channel, and only returns to them again in the shape of assets or capital. On the other hand, with respect to banks of issue, their authorised issue, being in notes of their own manufacture, when paid away, does not, as in the former case, flow into an universal channel, but into limited localities; and instead of forming a part of assets, only adds to their liabilities, until such issues are returned upon them, and to provide for such returns must

always entail a degree of care and watchfulness—and, indeed, were the purport or use of such a circulation expressed on the face, in lieu of being understood or implied, the form may very well run thus, “For our own accommodation we promise to pay the bearer on demand.” If the importance and respectability always attached to the profession or occupation of banking was ever compromised, it was evidently so by the submission to the Act of 1844, compelling an exposure of affairs and operations in the weekly publication of issues in the *London Gazette*; and that this was looked on as a degradation, cannot be better illustrated than in the refusal by all those firms who had even been previously banks of issue, to submit to such a step, and to avoid which for the future, supplanted their own by the issue of the paper of the Bank of England. Within the list of the weekly published circulation many banking associations of the highest importance and respectability may be enumerated, but, taking them in the aggregate, with a circulation to the extent of £17,000,000, they cannot bear comparison with the wealth and importance of those of non-issue.

In periods of commercial repose and tranquillity, the system on which the local paper currency is conducted perhaps calls for no alarm. Such, however, will be otherwise when a panic or mistrust should ensue; and whenever those unfortunate periods recur, it will, by an examination of the list itself of the published issues, be easily discernible what an extent of ruin and mischief may be caused by a reckless and over-circulated local currency. Many may be quoted from the list to which I refer, but a single example may serve for my argument. Say, for instance, a large banking association, with its head office, a London agency, and with about twenty or thirty branches, employing a circulation of its own to the extent of £300,000 or £400,000. These notes are made payable on demand, not only at its London agent's, but also at its head office, and at one, all, or either of its branches. This, as I mention, works very smoothly and advantageously in times of confidence, but when the time of peril and mistrust comes round, I will ask at which or either of these twenty or thirty places of issue is it possible for the bank so issuing to know what portion or any of this authorised circulation of £300,000 or £400,000 is likely, in times of misconfidence, to make its appearance for payment?—and in order to safely provide against the danger which would surely follow, by a refusal to pay, at either place of issue, fatally affecting all the rest, it does but seem reasonable to suppose that an amount of gold, or Bank of England notes, to just as many times the amount of the £300,000 or £400,000 as there are places of issue, should be in reserve or store. It is altogether useless and idle to think the most remote chances exist as to the rights which had been enjoyed by the banking interest in general, previous to the Act of 1844, being restored; a reform and revolution in the system having been introduced and established, the benefits of which are daily accruing to every branch of national enterprise, the advantages of the application of the joint-stock system becoming more and more developed, and old arbitrary customs being swept away, as, for example, the unjust and long exclusion of the London joint-stock banks from the Clearing House.

A cessation of the unhappy hostilities by which we are now surrounded may again place our senate in the position, when called on to consider the question of the Bank Renewal Act, to devise such measures as to place on a just and equitable basis the whole of the banking interests. If they only allow the granting of the Charter to remain in abeyance until the difficulties by which our legislature are now involved be removed, no obstacles will be too great, but what may be overcome, to let the nation enjoy the rights to which it is so justly entitled. It may be admitted, that many State

undertakings are badly managed; others, admirably so, introducing to the Exchequer vast amounts of revenue. This may also easily apply to the institution of a "State Bank."

*Buckingham, September, 1855.*

I remain, &c.,  
H. L.

#### THE BANK CHARTER.

SIR,—The period is again approaching when the legislature will have to take into consideration the privileges granted to the Bank of England, and which will necessarily comprehend in its range the Bank-note Limitation Act of 1844. This is, therefore, a desirable time to bring the working of that act, with reference to the general banking system of England, to the notice of those whose interests are immediately affected by its operations.

The act passed in 1844, limiting the circulation of the banks in England, enunciated no leading principle whatever; neither did it embody nor recognise any rule by which the benefits it intended to confer could be tested. It merely fixed an arbitrary limit to the issue of each bank, regardless of pecuniary ability, and provides no test by which to guard the public against loss. It does not permit expansion when necessary, nor does it recognise wealth as an element to rule its action. The question under consideration and to be solved, is—Can a practical principle be applied, that will admit of expansion with perfect security, governed by laws which, in their working, can correct any tendency to transgression?

I conceive that the joint-stock banks do contain the elements for carrying out such a system, in a simple, fair, and legitimate manner, and which would be satisfactory both to themselves and the public, exhibiting, at the same time, the soundness of their position and the legitimacy of their business.

I would suggest that each bank be authorised to issue notes to the extent of one half its paid-up capital, and against the whole of the coin in its possession. This measure would likewise have a most healthful effect on the well-being of these establishments, as it would necessarily lead to an increase of their capital; for it is admitted by all sound-minded and practical men, that the banking institutions of England are, as a body, unrepresented by the capital they ought to possess. With respect to the private banks a difficulty seems to present itself as in what way a sum can be apportioned to them, without infringing on the privacy of private property. I have no doubt the ingenuity of that highly intelligent class would soon devise a simple and efficient means to accomplish this, could it be made apparent that it was to their interest to do so. It occurs to me that the principle of the Property-tax Act points out a mode by which a solution of this difficulty may be arrived at, without any undue exposure.

In viewing a subject of this magnitude, it should always be borne in mind that the legislature draws a broad line of demarcation between corporate and public bodies and private enterprise. Railways, banks, and corporate institutions, from the power that the public are compelled to invest them with, and the resources placed at their disposal, in reality enjoy a monopoly that places them far beyond individual competition, but which, at the same time, imposes duties as well as conferring privileges; and it is the province of the legislature to constitute itself a tribunal, in order to enforce their observance. This is a point that has been too much overlooked by the different writers who have discussed the subject. The wealth and commerce of this country require a convenient, safe, and ready repository for their surplus cash and convertible securities; and, consequently, the well-being of these institutions have a great and important influence on the community. The imperfect state, therefore, of the present act cannot fail to make it a constant source of discussion, and, in many cases, of misrepresentation.

*October 17th, 1855.*

I am, &c.,

A. F. N.

## Notes of the Month.

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**REMINISCENCES OF STRAHAN, PAUL, AND CO.**—The name of this firm was originally Snow and Walton. It was one of the oldest banking houses in London, second only to Child and Co., who date from 1640. At the period of the Commonwealth, Snow and Co. carried on the business of pawnbrokers, under the sign of the "Golden Anchor." The firm about the year 1679 suspended its payments, in common with most of the London bankers, owing to the circumstance of the seizure of their money by that most profligate and unprincipled monarch, Charles II. On a recent examination of the books of Strahan and Co., one was discovered of the date of 1672, which clearly shows that the mode of keeping accounts in those days was in decimals. It is curious to observe the nature and quality of the articles pledged by our ancestors with this house. They were of a miscellaneous and somewhat comical character. One of the entries in the book runs thus:—"March 10, 1672.—To fifteen pounds lent to Lady —, on the deposit of a golden *pot de chambre*." The blank might be filled up with an existing Scotch title. About twelve years ago, Mr. Strahan changed his name from Snow to Strahan, in consequence of the then late Queen's printers having left him £180,000, on condition of his taking that name, previous to which the title of the firm was Snow, Paul, and Co.

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**SPANISH FORGERIES.**—Great sensation has been lately caused at Valencia, in Spain, by the discovery of numerous important forgeries. Some time back, a man who gave the name of Campo, presented to the bank of Messrs. Murieta and Co., in that city, a letter of credit payable in London, bearing the signature of Peregrin Carnano, of Valencia. The signature was ascertained to be forged, and the man was arrested. It was then discovered that his real name was Cort-szar, and that one Massip, residing at London, but a native of Valencia, had been his accomplice. This Massip was arrested. About a fortnight ago, Messrs. Manuel, Cabrian, and Sons, of Valencia, received a letter from their correspondent at Paris, announcing that, in compliance with their request, he had opened a credit of 10,000fr. to a certain person well known in Valencia. Messrs. Cabrian immediately made known by telegraph that they had opened no credit at all, and fortunately the despatch arrived before the person in question presented himself to receive the money. Four days ago, a man attempted to negotiate, on the Stock Exchange of Valencia, a draft signed by M. Lambert Ternels, of a firm of Bilboa, and indorsed by M. Sanchez and Messrs. White and Co. But the signatures turned out to be forged, and the man was arrested. In addition to all this, several forged bonds of the Ministry of Public Works have been put into circulation at Valencia, and, not many days ago, three men belonging to the city were arrested at Frankfort-on-the-Maine, for having attempted to pass off forged Bank of England notes. Likewise, intelligence has been received from London that forged bills of the house of Drake and Co., of the Havannah, made payable at Valencia, are in circulation. It is supposed, from all these facts, that a numerous band of forgers have established themselves at Valencia.

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**FOOD STATISTICS.**—The Michaelmas contracts for several of the large unions in the western counties have just been entered into, and the prices at which the various articles have been tendered for gives a fair statement of what may be expected to be the average figures during the coming quarter. At Wells bread has been contracted for at 7½d. per 4lb. loaf, best seconds flour at 3s. 8d. per score; beef and mutton at 5½d. per lb., and coal at 15s. 10d. per ton. At Wincanton the prices were as follows:—4lb. loaf, best seconds, 7½d. and 8d.; beef and mutton, 6½d.; and pork, 6½d. per lb. At the corresponding period last year, the prices were—bread, 5½d. and 6d. per 4lb. loaf; beef and mutton, 7d.; and pork, 6½d. At Kingsbridge flour has been accepted at 54s. 6d. per sack, beef at 55s. 11d. per cwt., mutton at 6d. per lb., and coals at 19s. 6d. per ton. At Okehampton the prices were—beef, 5d., 5½d., and 6½d.; butter, 7d.; and mutton,

5½d. and 6d. per lb.; 4lb. loaf, best seconds, 8½d.; meal ditto, 8d.; flour, 57s. per sack; oatmeal, 21s. per cwt.; and peas, 8s. 5d. per bushel. At Totness coal has been received at 19s. 10d. per ton. At Bedminster the prices were—flour, 57s. per sack; bread, 7½d. to 8½d. per 4lb. loaf; cheese, 40s. per cwt.; beef, 40s. per cwt.; mutton, 56s. per cwt.; peas, 7s. 9d. per bushel; and Embden groats, 21s. 6d. per cwt. The present average rate of wheat and meat may be quoted as follows:—Fat bullocks, 58s. to 60s. per cwt.; sheep, 6d. to 6½d. per lb.; pigs, 10s. to 10s. 6d. per score; new wheat, 18s. 6d. to 19s. per bag; old wheat, 20s. per bag; barley, 10s.; and oats, 9s. to 9s. 6d. per bag. Potatoes are somewhat dear.

**FAILURES AT THE CAPE OF GOOD HOPE.**—The accounts received from this colony are unfavourable, as announcing several large mercantile failures, namely, Messrs. Home, Eager, and Co. (the branch of the London house which lately failed), with liabilities between £30,000 and £35,000—the firm was one of the first in the colony, and had been in business for thirty years; Messrs. Long, Ebdon, and Co., with liabilities for about £40,000; and Messrs. Broadway and Herman, with liabilities for upwards of £35,000. These failures were followed by seven minor firms. Losses in the Australian trade are represented as the immediate cause of the crisis. The *Cape Monitor* says:—"In addition to this, our banking principle is thoroughly wrong. It induces speculation, and causes great mischief. There are five joint-stock banks in this city, which exist on discounting paper at a uniform rate of interest, alike low upon all securities whether good or bad, striking out harum-scarum when their coffers are full, thereby inducing illegitimate speculations; and, on the other hand, drawing in with equal indiscrimination, when the monetary mercury is high, and thereby inconveniencing the legitimate trader for the sole benefit of the unprincipled speculator. The interest in this colony is 6 per cent.—no more, no less; a remnant of the old law, that co-existed with the barbarous days of slavery and indolence—when the exports were *nil*, and commerce was unknown. In 1830, this colony exported wool to the amount of £1,500 sterling; in 1855, its exports of wool amount to three quarters of a million, but the monetary machinery is the same as in 1830, although a score of discount banks have sprung up." A new tariff had come into operation on the 4th of May, which imposes a duty of 7½ per cent. *ad valorem* upon all manufactured goods, instead of 5 per cent. It equalises English and foreign manufactures; the latter of which formerly paid 12 per cent. The duty on tea, sugar, and coffee, is also increased, but not to an extent likely to have an effect on consumption.

**NEW AUSTRALIAN BANK.**—The Melbourne correspondent of the *Times* says:—"In my last letter I mentioned the proposed formation of another bank on the Scotch principle. You are aware that most of the banks in operation here were formed in London or in New South Wales, the only one of local growth being the Bank of Victoria. Although that bank has not been quite three years in operation, and although it has met with some disasters—one of its branches having been "stuck up" about nine months ago—yet it is in a very satisfactory condition. I enclose the financial statements laid before the shareholders by the directors on the 30th of June, at the half-yearly meeting. Their gross profits on the half-year amount to £62,011. They declare a dividend of 10 per cent., £12,378, and they add £16,878 to the reserved fund of £80,121, making that fund £97,000. This, of course, gives the public great confidence in the institution. In the early period of the existence of a colony, it is very desirable that it should derive banking capital from external sources. The dividends remitted out of the country constitute a payment which the colony ought willingly to pay for the great advantage of the capital brought in. Colonists are apt to grumble sorely at "the money sent out of the country to the foreign capitalists;" but this is no more a just subject of complaint than the money sent to China to buy the teas of that country. For some time past, however, mere money capital seeking investment in the colony has been considerable. In this very day's *Argus* I find half a column of advertisements headed "Money," in



which eighteen advertisers offer money to lend on mortgage, in which sums amounting to £20,000 are named, besides "small sums to be lent on good security," "several sums at short dates," "money advanced to any amount," and so forth. Under these circumstances, without falling into the fallacy often involved in the complaint about "money going out of the country to the foreigner," we may admit that if capital seeking investment can be collected within the colony for banking purposes, it is better to use it than to continue to avail ourselves of English capital; just as it is better to grow our own wheat, if we can grow it, as cheaply as we can import it.

**BANK ARCHITECTURE.**—The publisher of the New York *Bankers' Magazine*, with a view to the promotion of an improved and more utile style of architecture in banking establishments, particularly in the country districts, has offered a premium of 150 dollars for the three best plans of banking-houses, viz., 50 dollars for a plan of a banking-house to cost about 8,000 dollars to 10,000 dollars; 50 dollars for a plan of a banking-house to cost about 15,000 dollars to 20,000 dollars; 50 dollars for a plan of a banking-house to cost about 25,000 dollars to 30,000 dollars. Each plan to include a banking-room and directors' room on the main floor, and a dwelling-house (or offices) under the same roof. Each plan for the banking-rooms to have in view special reference to—

1. Economy of cost and space.
2. Light, ventilation, and heating.
3. Arrangement and convenience of vault, desks, counters, and other furniture.
4. Safety against fire and burglars.
5. Durability, strength of materials, and architectural effect.

The plans to be referred to a committee of bankers or bank officers, to decide upon.

**SUMMARY PROCEDURE ON BILLS OF EXCHANGE.**—A change in the law has taken effect, which, in its bearing on the internal operations of English commerce, is likely to prove very important. On the 24th October ult., the Summary Procedure on Bills of Exchange Act came into operation. The object of its framers was to remove all means of frivolous or fictitious defences to actions on bills of exchange and promissory notes; and the decisive character of its provisions renders it necessary that every tradesman in the country should be well apprised of them. A new form of writ of summons is now issued, after which the plaintiff may, in twelve days, unless leave to defend the action be meanwhile obtained, proceed to judgment and execution. Leave to appear is granted only on the defendant paying the amount of the claim into court, or upon satisfactory affidavits disclosing a legal or equitable defence, or the necessity for the holder to prove consideration, or such other facts, and on such terms, as to security, as to the judge may seem fit. One summons may be made to include all the parties to the bill. The act applies exclusively to England and Wales, and not to Ireland or Scotland.

**THE AYRSHIRE BANKS.**—Amongst the banking establishments throughout Ayrshire, there has been an extraordinary movement. It seems that the agents for the Western Bank, in several localities, commencing with the town of Ayr itself, have gone over to the Royal Bank; and that branches of the Royal are to be set up immediately in Ayr, Irvine, Maybole, Girvan, &c., all to be under the superintendence of Mr. P. W. Kennedy, late agent for the Western Bank in Ayr, and formerly manager of the Ayrshire Banking Company, and to be conducted under the former agents for the Western. These changes will, of course, make room for a number of new agents for the Western Bank in the various localities. The transfer of so many bank agents from the Western to the Royal Bank (the latter having had previously no branches in these places), has caused a great sensation in the west country. The movement appears to have been caused by a misunderstanding betwixt the Western Bank of Scotland and Mr. Kennedy of Ayr, who represented the former partners of the Ayrshire Bank, which was amalgamated with the Western a good many years ago. The county of Ayr will gain additional bank accommodation by the rupture, which will, no doubt, lead to a keen competition betwixt the Western Bank and the Royal Bank—two of the largest banking houses in Scotland.—*Glasgow Paper.*

## Reviews.

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**Tate's Modern Cambist.** Eighth Edition. *With extensive alterations and additions, brought down to the present time.* Effingham Wilson, Royal Exchange.

THE new edition of this popular and valuable work, will be received with favour by the banking and mercantile community, it being the most authentic manual of foreign exchanges published. Having undergone a careful revision, it supports in every respect its well earned reputation of a standard authority.

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**Jackson's Book-Keeping.** Eighth Edition. Effingham Wilson, Royal Exchange.

THE extensive sale of this work is some criterion of its value to those whose desire to be initiated into the principles and practice of sound book-keeping. The scenes daily witnessed in the Courts of Bankruptcy and Insolvency, resulting from the absence of a knowledge of accounts, afford strong proof of the damage to trade, through the neglect of this important branch of adult education. In this work, a practical system by double entry is eliminated, and if attentively studied, it will furnish the ground-work necessary for sound management in business, while it will prove an efficient check against error, fraud, or embezzlement.

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**Currency Pamphlets.** *A Letter to Lord Archibald Hamilton, on Alterations in the Value of Money; published in 1823, reprinted in 1847.* Simpkin, Marshall and Co. *Currency Records; being Extracts from Speeches, Documents, &c., illustrating the character and consequences of the Acts of 1819 and 1844.* Simpkin, Marshall and Co. *Review of the Currency Laws and Bank of England Charter.* By JAMES A. ANDERSON. W. Blackwood and Sons, Edinburgh and London.

EACH of these pamphlets will repay perusal at the present time, since, although the views expressed will be familiar to most persons who have given the least attention to the currency, they are accompanied by illustrations which fully support the theories advocated. Without entirely agreeing with all that the writers have advanced, there is much useful information presented, which will tend to assist those who desire to fully investigate the question.

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**Webster's Income Tax Table,** showing the duty of £6 13s. 4d. per cent. (or 1s. 4d. in the pound) on any sum from 1s. to £500,000. Waterlow and Sons, London.

THE second edition of this useful table has appeared, and, looking at the low price at which it is published, it is not surprising. The reference to the table is so plain and easy that the merest novice could scarcely make a mistake in calculating the tax on any sum.

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## BANK MOVEMENTS.

The shareholders of the National Bank of Ireland have authorised the directors to take the necessary measures for changing the name of the establishment to the National Bank, as business is now conducted on an extended scale both in London and Ireland.

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The directors of the Western Bank of Scotland have appointed Mr. J. D. Boswell, manager of the bank's branch at Ayr, in room of Mr. P. W. Kennedy, and Mr. John MacLimont, to be agent at Girvan, instead of Mr. William Brown, jun.

The West-end branch of the Bank of England, at Uxbridge-house, Burlington-gardens, was opened on the 1st of October, under the management of Mr. C. Tindal.

The London and County Bank have notified the opening of a new branch at 441, Oxford-street.

The agency of the Guernsey Commercial Banking Company has been transferred to the Bank of London, consequent on the stoppage of Messrs De Lisle and Co.

The Oriental Bank Corporation have declared a dividend of £1 5s. per share, being at the rate of 10 per cent. per annum, for the half-year ended the 30th of June last.

Mr. George Chambers has been appointed general manager to the Unity Bank. This gentleman is well known, having been for many years indefatigable in promoting the interests of those engaged in the banking world. He was one of those who assisted the late Mr. Dalton in his efforts to establish a Banking institute, and he succeeded in obtaining the general approval of the merchants in the metropolis to the termination of banking business at four o'clock.

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## **Monetary Intelligence.**

### **REVIEW OF THE MONEY MARKET FOR THE MONTH OF OCTOBER, 1855.**

THE changes which financial affairs have experienced in the course of the past three or four weeks have been varied and numerous. A sudden demand for money has entailed such stringency, that the Bank directors have been compelled to increase their rate for discount from 5 to 6 per cent., restricting it in the latter case to paper having sixty-five days to run. While we have been necessarily cautious in our proceedings, the authorities of the Bank of France have followed the example, and have carried their terms to a similar point. Exceptional circumstances have doubtless occurred to create this remarkable alteration in the condition of monetary concerns, but the withdrawal of bullion to the extent of £6,000,000, through the purchases effected on behalf of the Bank of France, will account, in a great measure, for these vicissitudes. The panic occasioned through the apprehension of the consequences of these particular operations, which were at first shrouded in deep mystery, although unfavourably affecting all descriptions of public securities, did not interfere with the stability of mercantile credit; and, notwithstanding rumours of the most discouraging character, such was the healthfulness of trade, that scarcely a failure resulted from the pressure. The measures resorted to by the Bank of France, for obtaining supplies of the precious metals, could not have been adopted at a more inopportune period, the drain through the war expenditure, and the payment of instalments on the English and Turkish loans, having already stimulated the

general inquiry for accommodation. The same causes have likewise been in operation at the other side of the channel, while, to aggravate the evil, a considerable outlay has been necessary to provide for the deficiency of the grain crops, which was much more serious than was originally conjectured. Although, for the moment, a crisis has been averted, in Paris, such has been the inflation from the transactions of the *Credit Mobilier*, that great prudence, it is thought, will still be requisite to bring affairs into their ordinary channel. It must further be remembered that we have yet to ascertain what will be the ultimate influence of the new credit institutions about to be established in Austria. That the French Government are determined at all hazards to make a strenuous attempt to adjust their financial position, is rendered apparent by the negotiation opened for the purchase of silver from the Bank of Holland. Within the last few days there has been a subsidence in the extraordinary demand formerly witnessed, and several Australian gold arrivals having been announced, a temporary revival of confidence has followed. Much, however, will of course depend upon the future state of the Parisian and Vienna money markets, which must now be considered as influencing the whole of the others of Europe. Good employment for capital is found at rates varying from 5½ to 6 per cent., for first-class bills, but the more approximate rate in the majority of cases is the *minimum* of the Bank of England. The allowance for deposits has now reached 5 per cent.

The extreme range in Consols has been about 2½ per cent. with a considerable amount of business. In the early part of the month, the operators for the fall sold largely, each advance in the Bank's terms of accommodation having induced operations. When, however, the last alteration was made, and a hope was expressed that the *maximum* point had been reached, there was a slight re-action, which has since been augmented by the favourable intelligence from the Crimea, and the arrival of increased supplies of gold from Australia. Consols, after touching 88½, descended to 86½, and are now about 88½. In addition to the ordinary transactions of speculators and others, the Scotch and provincial bankers have realised stock to supply themselves with notes and specie. The public, on the other hand, have been purchasers, the payment of the dividends having afforded them means for investment.

Notice was issued on the 24th of October, that the interests upon all the Exchequer bills in circulation would be increased from the 25th to 2½d. per diem, or £3 16s. 0½d. per annum. The previous rate was 2d. with June bills, and 2½d. on those dated in March. The augmentation, therefore, is equal to 15s. 2½d. on the former, and 7s. 7½d. on the latter; and the increase in the public expenditure will be rather less than £100,000. The highest quotation having been 3s. premium, and the lowest 10s. discount, it shows that the dealers were in a great degree prepared for the alteration. A partial rally has since occurred, but, in the present position of the money market, it is not likely that a high premium will be attained.

Extensive fluctuations have occurred in Turkish, operations having been freely entered into. Having proved principally speculative, there has been a recovery from the lowest quotations, but they are yet in an unsettled condition. The 4 per cent. guaranteed scrip, just previously to the payment of the last instalment of 20 per cent., sunk to 5 discount, but the nearest current price is 3. All other securities have varied in nearly similar proportions, though they are now generally firmer.

Railway shares have naturally suffered like other securities, but scarcely to an equal extent. The first depreciation created by the state of the half-yearly accounts, and the unsatisfactory results of dividends, promoted the speculation which principally affected the market, and since there has been

little activity. When Consols touched the lowest point, shares were likewise affected, and when there was a rally, the re-action extended also in the same direction. The average range has been about £2 to £3 per share on the leading descriptions, and others in about a similar ratio.

Joint-stock bank shares have been steady, but the transactions have not been numerous. Quotations have probably received support from the expectation that dividends will be maintained if not increased, though the advanced terms of discount. The demand, however, has been limited, even for the most popular of these securities, and prices exhibit little variation. The progress of the business of the new establishments is stated to be satisfactory.

The activity of the produce markets has been checked by the increased terms of money accommodation, though the amount of business continues above the average. The chief operations have latterly been in sugar, owing to the diminished nature of the supplies.

	Price on Sept. 28.	Highest.	Lowest.	Price on Oct. 27.
<b>ENGLISH FUNDS.</b>				
Consols ... ..	88½ to 88½	88½	86½	88½
Exchequer bills' average ...	pr. to 4s. ds	3s. pm.	10s. ds.	2s. dis. to 3s. pm.
<b>FOREIGN STOCKS.</b>				
Brazilian ... ..	101½	101½	98½	100
Buenos Ayres ... ..	—	55	53	53½
Chilian ... ..	102	102	99	101
Dutch, 2½ per cent. ...	64½	65	64	64
Mexican ... ..	21½	21½	19½	19½
Peruvian, 4½ per cent. ...	77 ex. d.	77 ex. d.	71	73
Russian ... ..	—	97	95½	96½
Spanish ... ..	38½	38½	37½	37½
Turkish, 6 per cent. ...	85	87½	78 ex. d.	49½
Ditto, 4 per cent. New scrip....	1½ dis.	1½ dis.	5 dis.	3 dis.
<b>RAILWAY SHARES.</b>				
Brighton ... ..	95½	96	94½	95
Caledonian ... ..	59 ex. d.	59½	57½	58½
Eastern Counties ... ..	9½	9½	9	9½
Great Northern ... ..	86½	86½	81½	82
Great Western ... ..	55	55½	50	50½
Lancashire and Yorkshire... ..	75½	76½	74	74½
London and North Western	91½	93½	90½	92
Midland ... ..	64½	65½	62½	63½
North Staffordshire ... ..	10½	10½	9½	10
South Eastern ... ..	56½	58	56½	57
South Western ... ..	81½	83	81	82½
York, Newcastle, and Berwick	68½	69½	67½	68½
York and North Midland ...	45½	46½	44½	45
East Indian... ..	23½	23½	21½	22
Northern of France ... ..	34½	35½	33½	34½

#### THE GRAIN TRADE.

NOTWITHSTANDING the continuous advance in the Bank's rate of discount, the quotations of grain have ruled higher. The improvement has not been remarkable, but the full support given to these rates shows that the operators have not lost their good opinion of the market. The weather for agricul-

tural operations continues favourable, the reports from most quarters being encouraging. The arrivals of English and foreign wheat have hitherto been limited, and the purchases made in America and on the Danube assist to maintain prices. A greater deficiency in France than was originally estimated, has induced holders to increase their pretensions.

The *Gazette* returns for England and Wales have been :—

Week ended 1855.	Wheat Qrs. sold.	Weekly Average.		Six Weeks' Average.		Duty.		Corresponding Six Weeks Last Year.	
		s.	d.	s.	d.	s.	d.	s.	d.
September 22.....	124,510	...	77 8	...	75 2	...	1 0	...	59 2
„ 29.....	146,137	...	77 3	...	75 5	...	1 0	...	57 9
„ 6.....	155,921	...	76 6	...	75 11	...	1 0	...	56 7
„ 13.....	152,443	...	76 7	...	76 7	...	1 0	...	55 8
„ 20.....	144,889	...	76 10	...	76 11	...	1 0	...	55 5

The importations since the harvest of 1854 have been :—

	Wheat. Qrs.	Other Grain. Qrs.	Total. Qrs.
Sixty weeks ended 12th September.	2,386,003	2,963,532	5,349,535
Five weeks ended 17th October .....	116,175	166,743	282,918
	2,502,178	3,130,275	5,632,453

And the *weekly averages* have been :—

Sixty weeks ended 12th September ...	40,000	49,000	89,000
Five weeks ended 17th October .....	23,000	33,000	56,000
	Less 17,000	16,000	33,000

#### STATE OF TRADE.

THE manufacturing interests have been depressed by the financial crisis, the high rates of discount restricting all descriptions of business. Credit, however, considering the alarm occasioned, has been wonderfully well sustained, and the almost entire absence of failures, has been a feature in the existing position of affairs which we were little inclined to expect. There is, of course, a tendency to lower prices in textile fabrics, but this would soon be recovered, if any amelioration were to ensue.

#### BANKING OBITUARY.

On the 12th October, Mr. John Aldred Twining, of the Elms, Baldock, Herts, and the Strand, London, aged 70.

THE LATE MR. E. J. HESKELTINE.—Died at Havre, on the 18th of September, aged 75 years, Mr E. J. Heskeltine. He was placed in youth at a bank in Hull, thence removed to Port-Madoc, N.W., and on the death of Mr. Philip Hunt, was appointed manager of the Old Bank, Rotherham—Messrs. Walkers and Stanley's. This situation he held till the change from a private to a joint-stock proprietorship took place, and was confirmed therein by the directors of the latter, in whose service he remained until two years ago, when from ill health he resigned upon a pension, after nearly forty years' honourable and active discharge of his duties. Deceased was a well-known connoisseur in art; and by his superior business talents and unimpeachable integrity, secured the high esteem of the large circle of his friends and acquaintances, particularly in the locality where he so long resided.

## MONTHLY CHRONOLOGY.

Oct. 3.—Messrs. De Lisle, Janvrin, and De Lisle, foreign bankers and merchants, announced by circular their suspension of payment, with liabilities amounting to £380,000. At a subsequent meeting of their creditors, it was arranged that the estate should be liquidated under inspection; and it was also agreed to allow the firm, with some additional partners, to resume business.

4.—The Bank of England, at their weekly board meeting, again put up the rate of discount from 5 to 5½ per cent.

5.—Intelligence received that a portion of the Baltic fleet bombarded, for a short time, the forts at the mouth of the Dwina, without doing much damage, and subsequently bombarded the batteries of Bullen, which were severely injured.—News was received of a spirited engagement having taken place near Eupatoria, between a portion of the French and Russian cavalry, in which the latter were entirely routed, after having sustained very considerable loss.

15.—Intelligence received of a decisive victory having been gained by the Turks over the Russians at Kars, on the 29th September. The Russians had, for some time, completely invested the place, and now made upon it a desperate assault; but, after an engagement, which lasted for eight hours, without intermission, they were thoroughly beaten, having left between 4,000 and 5,000 dead on the field.

16.—Announcement of the failure of Mr. W. A. Smith, of Manchester, cotton spinner, with liabilities said to be under £30,000.

18.—The Directors of the Bank of England again raise their rate of discount from 5½ per cent. to 6 per cent. on bills of not more than sixty days, and to 7 per cent. on bills having to run from sixty to ninety-five days.

Despatches received announcing the commencement, on the 15th, of the bombardment of Kinburn by the Allied fleets.

News of a successful expedition by the French against the towns and fortresses of Taman and Fanagoria, both places being totally destroyed, and a number of cannon captured.

20.—Intelligence arrives announcing the capture of Kinburn by the Allied fleets, on the 17th. After an unsuccessful defence of the place, the garrison, consisting of 1,420 troops, including 27 officers, laid down their arms, and surrendered as prisoners of war; 174 guns were also taken.

23.—The Allied fleets, on leaving Kinburn, turned towards Otchakoff; but the Russians immediately blew up the fortifications, mounting 23 guns.

27.—Trial at the Central Criminal Court of Messrs. Strahan, Paul, and Bates, late bankers, of the Strand, charged with unlawfully disposing of securities of foreign stocks, of the value of £5,000, deposited with them for safety by the Rev. Dr. Griffith, of Rochester. The prisoners were all found guilty, and were immediately sentenced by Mr. Baron Alderson to be severally transported for fourteen years.

## NOTICES TO CORRESPONDENTS.

IN the present double number, we have been enabled to dispose of the principal part of our arrears. One or two communications and reviews, however, still stand over, the space occupied by the trial of Messrs. Strahan, Paul, and Bates, having been greater than was anticipated. Correspondents will please remember that all communications, unless they involve important questions, should be forwarded by the 20th of the month.

J. W.—The Decimal Tracts may be obtained at the offices of the Decimal Association at the Society of Arts.

DEPUTY CASHIER.—The highest rate of interest known during modern times was, as stated, at the period of the panic in 1847. After the appearance of the Government letter, there was a sensible diminution of the pressure.

R. S. (Ichester).—It is understood that the Commissioners of Bankruptcy possess the power, but they do not frequently exercise it.

A. BONDHOLDER.—The commissioners and the committee are at variance, and it is feared the interests of the unfortunate bondholders will be neglected, unless a fresh agitation is commenced.

# THE BANKERS' MAGAZINE;

AND

Journal of the Money Market.

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DECEMBER, 1855.

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## PRESENT AND FUTURE PROSPECTS.

It is impossible to over-estimate the importance of giving a due and impartial consideration to the question of our financial relations, and to the desirableness of watching the progress of events with more than usual vigilance. After the experience of the last three months, it will, we should scarcely imagine, be necessary to preface any remarks that may be offered, with explanations referring to antecedent circumstances, the facts, themselves, having become patent to all who are interested in extensive transactions in money or commerce.

Without putting ourselves forward as the apoogists of the Bank Charter Act, or professing to believe in the capacity of that measure to correct every evil that may arise in connection with a disturbed condition of the money market, it will, we think, be generally admitted, that the course of affairs, since August last, has been characterised by features, which few were prepared to witness in the first year's results of the war. To those who, however, have studied the history of former periods, the consequences have not seemed so remarkable, because, notwithstanding the development of trade, and the increase in the material wealth of the country, they were prepared for alterations which would interfere with the ordinary routine of mercantile life, and embarrass general operations. It was long since premised and asserted, that the outbreak of hostilities could not fail to produce an effect upon the money markets of London and Paris, and in proportion upon those of the leading cities of Europe.

Although it required no great gift of prophecy to see what must in reality be the cost of a demonstration such as it has been found necessary to make against the aggressive power of Russia, these predictions were regarded in a measure as unfounded or rather dictated with a view to damp the enthusiasm aroused by the popular cry in favour of Turkey, and



the Anglo-French alliance. Politically important as it was to preserve the integrity of the one, and to secure the efficient assistance guaranteed by the other, the public, who are not at all times the best judges of economical consequences, lost sight of the probable pecuniary outlay which would have to be provided, and treated any notion of serious deficiency with marked contempt. Warnings of augmented taxation—direct allusions to a further increase of those obnoxious imposts upon property and income, and, further, the prospect of a considerable addition to the national debt, were seriously urged as the certain results of a campaign in the Crimea or on the shores of the Baltic, but they received little or no attention, the blind infatuation of the multitude reckoning on the certain achievement of victory at all hazards. No second thought was accorded to expenditure, but, on the contrary, without adequate supplies an undertaking was engaged in, the high purposes of which, although greatly to be commended and applauded, had hardly received proper attention from the Government, much less the people.

It was truly remarked on the occasion of the declaration of war, that enthusiastic as the public seemed to be, they were going to work in the dark, and that it would not require any lengthened period to elapse before they would discover that hostilities, even under the favourable auspices of an alliance with France, might in all probability involve expenses that would prove extremely onerous to the resources of both countries. Inflated as men's minds were with the supposition that the gold of Australia and California would prevent any collapse dangerous to trade or the steady growth of mercantile affairs, they refused to look the difficulty in the face and professed to feel confident that Russia would either retire when the determination of England and France was made known, or yield to terms on the first grand defeat. The fallacy of these delusions has long since been exploded, and the costs of the struggle continue to accumulate.

While thus expressing our opinions on the progress and events of the war as affecting our monetary condition, we must not be considered as advocating, in the remotest degree, the views of the "peace party," because in us they possess no sympathisers, but it is necessary in casting a retrospective glance, to bring under consideration the feeling prior to the momentous epoch when friendly relations ceased with the Court of St. Petersburg. The rupture which has caused such a waste of treasure and blood was undoubtedly forced upon us and could not be avoided, but the Government, if not the people, are largely responsible for the precipitancy of the movement, before the means and appliances for active hostilities were available.

From March, 1854, when Mr. Gladstone brought in his

budget, until last April, when Sir George C. Lewis introduced a loan of £16,000,000, the whole of the financial arrangements of the country have been ill-regulated. The false principle of appealing to indirect as well as direct taxation to support the expenditure of the year was carried to an excess by the first mentioned Chancellor, and so soon as it appeared he failed to attain popularity, his successor, "a dealer in compromises" split his requirements into sections, which, however well-intentioned afforded no satisfaction to any particular party, and displease the majority. Was ever poor John Bull so annoyed with financiers! Plunged into war through the impression that it would be a short and inexpensive process of arriving at an equitable adjustment of the balance of power in the East, and at the same time of restoring to firmness the tottering Ottoman dynasty, and sanctioning the proceedings which have placed him in this situation, taxation at last has so oppressed him that, the channels of business being temporarily obstructed, he is unable to discharge the claims made, and perchance in the midst of his disappointment partially regrets so voluntary an acquiescence in the steps hitherto taken. It is, however, essential that the burden shall be patiently borne, and that assistance shall be cheerfully rendered to support the cause in which we are engaged.

In France, a more distinct policy has been followed out, and which has no doubt given greater confidence to the public in that country. The whole of the war expenditure has been raised through the medium of loans, which, apart from the favourable terms on which they have been secured, places the weight of responsibility in the right quarter. If posterity is to share a benefit through the ultimate subjugation of Russia, surely the next and succeeding generations are entitled to assume some proportion of the entailed expenses, and it is a manifest injustice to presume that any present charge arising therefrom should be immediately liquidated.

This brings us to the consideration of what, in reality, is our present position, and what may be fairly regarded as our future prospects. France has already raised, in the manner alluded to, upwards of £50,000,000, and our own outlay must have approached nearly an equal sum, while Turkey has been "guaranteed" £5,000,000 and Sardinia has received assistance to the extent of £2,000,000. These are all large items when it is remembered that the actual expenditure does not cover two years' estimates including the preliminary arrangements. Is it a matter of surprise, then, that with a deficient harvest and other co-operating causes that there should have been a drain of bullion, or that the financial position of the whole of Europe should have been more or less affected? Taxation, as far as England is con-

cerned, has repressed the energies of the entire community, the stoppage to trade occasioned by the war leaving the population in an impoverished condition, and preventing them from obtaining profits to discharge so large an amount of fiscal burden. In the case of France the unfavourable change has been principally produced by the doubtful effects of the speculation carried on under the guidance of the *Credit Mobilier* that has by artificial devices raised capital to promote all descriptions of public works, both within its own locality and in foreign countries. Dangerous as the expedients adopted have in some respects appeared, the loans themselves contracted in France would not have occasioned great inconvenience, had the money market been in a sounder condition and capable of sustaining the dead weight of liability previously contracted. With the efflux of bullion required to pay the current charges of the commissariat in the East, the provision of money to satisfy demands for grain purchases, and the exchange operations to supply the continuous shipments of silver to India and China, a position of affairs less unfavourable could hardly have been expected. But yet, although these and other exceptional circumstances have conspired to occasion the perturbation now visible, all the blame is to be thrown in one direction, and one special law is to be made responsible for the sum and substance of the mischief encountered. If the public will, however, condescend to look a little back to the absence of comprehensive financial plans when the war was originally contemplated, they will discover that the Government is probably more to blame than the Bank Charter Act for the anomalous pressure lately endured.

That this pressure will soon cease, we can scarcely bring our minds to believe. There may be a temporary mitigation through the arrival of gold vessels inspiring increased confidence, or from a diminished demand for money. But, if the war is to continue, it will have to be maintained at an expenditure equal to, if not greater than, that which has already occurred, and that cannot be supported unless new taxation and new loans are arranged. With fresh loans inevitable for England and France, with large speculations open in produce, requiring capital and credit to avoid the consequences of ultimate depreciation, and numerous incidental calls from other quarters, there must be a corresponding stringency which it will take a considerable time to surmount. Even if a peace were concluded to-morrow, heavy balances would remain to be settled; and, after the first blush of excitement which would be sure to follow such an announcement had passed, the preparation for the adjustment of outstanding accounts would show that difficulties still prevented an immediate resumption of our ordinary career.

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## THE AUSTRIAN FINANCIAL PROJECT.

INSOLVENCY, amongst nations, as amongst individuals, leads to the adoption of a variety of schemes, marked sometimes by considerable ingenuity in their conception, but whose practical effect is rarely to avert, but merely to postpone, a result, which, sooner or later, is inevitable. When reckless extravagance, or the pressure of unforeseen circumstances, has occasioned an adverse balance, and bankruptcy begins to loom in the distance, the course which the ordinary rules of prudence would dictate, is to retrench—to cut off all superfluous sources of expense—to limit operations—and, above all, to avoid such as involve risk of loss, and by a strict adherence to economic principles, to bring the expenditure within the revenue, making the surplus thus created available for covering the deficiency of past years. But the dictates of wisdom and common sense are generally opposed, in such cases, by two very powerful influences, to which, in nine cases out of ten, they are compelled to yield. When it is discovered that the degree of state which has been assumed, the establishments which have been maintained, and the position which has been asserted, are incompatible with the resources of the nation, or of the individual, pride steps in on the one hand to prevent any diminution or retrenchment in these particulars, lest, in the eye of the world, it should be supposed that necessity compelled the sacrifice; and on the other hand, fear urges that any sudden change from extravagance to economy, will be received as the indication of poverty and straightened circumstances, and by making creditors more importunate, expedite the final catastrophe. Hence it is found that every symptom of increased financial pressure is met by some one of these ingenious projects, which, were the only purpose to be attained to gain a little time, would entitle their authors to credit, but which, unfortunately, only tend to increase the difficulty, intensify the embarrassment, and make the fall, when it does come, more precipitous. Of this character appears to be the new Austrian scheme of finance, which, after agitating every Bourse in Europe for some six or eight weeks, with vain conjectures and speculations, is at length before the world in all its details, and progressing towards active operation.

According to the official accounts, this project would seem to have a double object in view. First, to provide means of paying off the debt of twenty-four millions sterling, due by the imperial Exchequer to the bank; and secondly, to place that establishment, in such a position as shall enable it to meet future State demands. In the scheme of liquidation propounded in the Con-

vention as concluded between the Finance Minister and the National Bank, this debt is divided into three parts : First, the amount advanced by the bank on its establishment, near forty years ago, to redeem the Vienna currency ; secondly, the claim on account of the redemption of the *Reichs Schatzschem*e, (Exchequer bills) ; and, thirdly, the loans made by the bank to meet the urgent necessities of the state since the year 1850, amounting to about £15,500,000. The manner in which it is proposed to meet the first of these claims is by monthly payments made from a sinking fund ; the second is to be paid off by means of a certain portion of the national loan allocated to that purpose, and which will be received by the bank from the public ; and the third, or principal part of the demand is to be discharged by handing over to the bank, state domains of the value of 156,485,060 florins, or £15,650,000 sterling. The terms and conditions upon which these imperial estates are to be delivered over to the bank, are as follows :—

“1. The said domains to form a good and real ‘hypothek’ for the security of the above-mentioned 155,000,000fl. The bank to have the right to enter the mortgage in the public books, and that free of all expense. 2. The Austrian Bank is to have the entire management of the said domains, and to collect the net proceeds of the same. The State has no claim whatever to the revenue of the domains, until the debt of 155,000,000fl. is fully discharged. 3. The management of the domains cannot be taken from the bank until the above-mentioned debt is paid, but the State has the right to undertake the administration of the one or the other estate, in case the value of the domains should, under the management of the bank, exceed the sum of 155,000,000fl, or if the value of an estate taken from the management of the bank should be paid in hard cash, or replaced by some other good and satisfactory ‘hypothek.’”

It will be observed that while the State here nominally transfers its property to the bank in discharge of its debts, it virtually keeps the entire control in its own hands. It stipulates for the absolute resumption of the administration of the property in a variety of cases : upon the payment of the value in hard cash, which is reasonable enough, provided the assessment of value be fair and equitable, upon substituting for the particular estate it may desire to repossess some other “good and satisfactory hypothek” which, when the financial antecedents and character of the Austrian Government are considered, may be anything but reasonable. What is “a good and satisfactory hypothek” it will be for the imperial Government to determine, and should at any time imperial necessity, imperial interest, or imperial will, require the resumption of these State domains, the

bank will have no choice but to submit, and accept in exchange some other security, which as an available asset may turn out to be utterly worthless. In the words of the convention, "the bank is not only entitled to hold the domains as a mortgage, but to dispose of them;" and it is, in point of fact, ordered that the sale shall begin as soon as possible, and that the proceeds of each separate estate, as it is sold, shall be set against the capital of the debt. But by virtue of the stipulation quoted above, the Imperial Government may at any moment step in and prevent the alienation of any one or the whole of the domains, and withdraw them altogether from the control of the mortgagees. Admitting that the Austrian Government ought to have the power of preventing the entire alienation of any portion or of the whole of the Imperial domains, the question arises why were these directions to sell given? Why was not the property simply mortgaged to the bank, accompanied with a power to receive the revenues and set them against the debt? If these domains were honestly intended to be made available in their integrity for the discharge of the State debt, why is this power of sale encumbered with conditions which at any moment may prevent its exercise? Taking all circumstances into account, it would seem that this mortgage or transfer of the imperial property was never intended to be a *bona fide* transaction, but is merely the substitution of one guarantee for another—of the estates for the Salt-works, to be changed again when imperial convenience may render it desirable. A subsequent paragraph in the deed of convention promises that "the finance department and other authorities will do all in their power to assist the bank in managing the ceded property." The obvious meaning of this is that the Government intends to retain the control, and if not directly to administer, at all events to regulate and govern the administration of the ceded domains. The property which is thus handed over may be, in point of value, a better or a worse security than the Salt-works for which it is substituted, but as an asset presently realisable or available for the reduction of the debt, it is apparently worth less while encumbered with such restrictions.

The second part of the project is the Loan or Mortgage Bank, and this is by far the more important both to the Austrian Government and the moneyed world outside, which is invited to come forward and subscribe the necessary capital. To the Imperial Government the monetary power which the capital and expectant profits of this new branch of business will place in the hands of the bank will form a source from which it may draw supplies to meet future financial difficulties, and that probably is the sole view with which the concession is made. The powers

of the new bank appear to be of the most extensive character, but the security for the capital of the subscribers can certainly not be said to be co-equal with them. The title by which this new institution puts forward its claims to the moneyed world and invites the co-operation of capitalists is a taking one, and indicates the largeness and the variety of the business contemplated—viz., “The Imperial Privileged Loan Bank for Trade and Industry.” The concession is granted, for ninety years, to M. Rothschild, the Princes Furstenberg, Schwarzenberg, and Auersperg—as the representatives of the wealthy Bohemian nobility—by whom it is said the scheme will be supported, to the Count Chotsk, and Louis de Haber. Judging from the reports which came to us from Vienna, at the early part of October, the impression generally prevailed that the Credit Foncier was to be the basis of the Company; the statutes themselves, however, which have since been published, show that it assimilates much more nearly to the Credit Mobilier, and that to all the objections which are applicable to that system it is obnoxious.

The company is empowered to transact business—

In loans on Austrian state-paper and mortgage bonds, on shares and bonds of home undertakings, on bonds for raising loans on the Crown estates, districts or parishes, also on goods and produce.

In subscriptions to Austrian national loans, also to scrip and bonds of industrial home undertakings or credit institutions of every kind, either now existing or hereafter to be created, then in the purchase of the same and all descriptions of state paper.

In forming railways, mines, and docks, in lighting towns, &c., or in any branch of industry and enterprise within the Austrian monarchy tending to the common weal; in changing ordinary companies into those of shareholders; in issuing the scrip and bonds of all such undertakings and companies.

In negotiating Austrian national loans, loans on the crown lands, districts, or parishes, the farming of the monopolies of the state or the taxes, as likewise public works of every kind; also to take part in effecting the above, in selling them and dealing with them.

In every case to sell again, to give as security and to exchange for other objects of value every description of state paper, scrip, share, or other asset that shall have been acquired in the way of business defined by the above-mentioned statutes.

In taking up bonds when payable, or dividends and payments of every kind.

In taking up and keeping in their coffers assets and paper securities of every kind.

In making payments of money with any lawful tender, in discount and banking.

The bank is entitled to issue its own promissory notes for an amount not to exceed the amount of the sums employed in subscriptions to funded stock, in purchases, partnerships or institutions, as above explained.

The amount of these promissory notes must always be perfectly secured by the value of the state paper, assets, and bonds, belonging to the company and in their actual possession, nor must it at any time or in any case surpass five times the amount of the paid-up capital. These notes or bonds so issued cannot be made payable at a date shorter than a year. The amount of the bonds issued and made payable within a period of two years must never surpass the sum of the paid-up capital within the above limitation of the entire issue in notes.

The capital which is to form the basis of this gigantic and varied sphere of operations is to "consist of one hundred millions of florins, in the metallic currency of Austria (£10,000,000 sterling). This capital will be formed by means of 500,000 shares, each share at 200 florins, and provided with coupons. Of these 500,000 shares only 300,000 will be issued as scrip for the present. The remaining 200,000 shares will be issued hereafter, in proportion to the increase of business."

From transactions of the nature indicated in the programme of business, it is obvious that profit to an unlimited extent, or loss involving the utter ruin of the concern, may ensue, according as judgment and caution, or carelessness and incompetency may obtain in the managing body. Having such power in their hands, there would be a constant temptation to exercise them beyond the limits of prudence and strict safety; and the interests of the shareholders would therefore require that some check in this respect should be imposed. Accordingly, the imperial Government, in making the concession, stipulates for a perfect and complete State control. In ordinary cases, Government supervision would probably be the best security that could be given to the shareholders, where such large trading powers were granted; but the case is very different when the Government itself may have an interest directly at variance with that of the proprietors—whose funds will be solely at the mercy of its legislation.

Sec. 69. The Government will exercise a constant supervision, to the end that the statutes be duly observed, and that the Imperial Privileged Austrian Loan Bank confine its operations within the prescribed limits, and the Government appoints imperial commissioners for this purpose.

Sec. 70. These imperial commissioners are authorised to



inspect the books, documents, and deeds of the bank, and scrutinise its management, as also to be present at all the meetings, in so far as they may deem it necessary. It is their special duty to attend the general meeting.

Sec. 71. Every imperial commissioner has the right to object to any resolution formed by the board or the general assembly, when he considers it injurious to the welfare of the State or the public, or to be in violation or transgression of the statutes. For the carrying out of such resolution a superior authorisation will then be requisite, and it will remain suspended until the authorisation shall have been obtained.

Sec. 72. In every instance where the joint operation of the Government or the Sovereign's approbation is required, the Austrian Loan Bank will have to apply to the Imperial Ministry of Finance.

Thus, in effect, the whole power will rest with the Government; and not only the board of directors, but the company of proprietors, even when assembled at their general public meetings, will be subject to the interference of the Government, and compelled to abstain from any act, and abandon any intention which a Government functionary may have been directed to declare opposed to the interests of the State. The Bank, it will be observed, having completed its capital of ten millions, will be authorised to issue its own promissory notes to five times that amount; and should the subscribed capital be invested in unpaying speculations, or securities subject to considerable fluctuations, and a depreciation of fifty per cent. ensue on the available assets (an event by no means improbable, especially in Austria), the bank would be enabled to pay only ten per cent. to its promissory note creditors, leaving not a single farthing for its shareholders. The Government will evince, without doubt, its usual anxiety to negotiate loans; and as fast as the subscribers' capital comes in will, so long as the managing directors exhibit a willingness to make advances, encourage rather than restrict their operations. Their interference, therefore, may be expected only when, as far as the public and the shareholders are concerned, all the mischief is done—that is, when fifty millions more of worthless paper shall have been forced upon the Austrian public, and certain over-confiding speculators shall have lightened their pockets to the extent of ten millions of hard cash, to enable Austria to avert national bankruptcy for some time longer.

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## THE COMMERCE AND FINANCE OF AUSTRALIA.

## No. V.

THE Governments of the Australian colonies have often occasioned dissatisfaction by their interference with trade, in imposing duties which have tended to restrict internal commerce and fetter trade with distant ports. There have also been times both of excitement and of depression for which the authorities have been largely blameable; and the frequent changes in their government have doubtless produced a want of uniformity, which has done much to unsettle the various interests of the colonies. Nevertheless, upon the whole, the action of the local Governments has not been greatly at variance with the wants and wishes of the respective populations; and it is a good proof of the moderation and wisdom of Englishmen, both as rulers and ruled, that harmony and good feeling have prevailed for so many years, especially when it is remembered that representation, as enjoyed in England, has only lately been granted to the colonists. They have, until recently, been governed by strangers, who have received their instructions from Downing-street; and even where there has been any degree of the popular element in the legislative councils, the appointments have been the act of the governor, and not always the wish of the people. The fact is, however, that as individual freedom was allowed, and the Governments did not unnecessarily interfere with men's pursuits, there was a good understanding upon both sides; trade was diligently pursued, land cultivated, sheep reared, and the colonists consequently prospered. It must not be supposed that public opinion did not exist, but that, on the contrary, it had its weight as much, perhaps more fully, than in old countries; so that there was often a ready response to all reasonable requirements, combined with a determination on the part of the settlers to develop the resources of the colonies, and to support social order and good government wherever those blessings could be secured.

Among the most important functions of Government is that of raising a revenue for protecting the persons and properties of the people. In Australia, at all events, there is the luxury to all Englishmen of a great immunity from taxation. Throughout the history of the colonies revenue has been raised from the articles imported rather than by visitation from house to house by the tax-collector, which indeed, with a widely-scattered and migratory population, would be a difficult, an expensive, and perhaps a vexatious operation. Spirits, tobacco, and tea are the articles upon which the taxes are generally levied; although, of course, there are certain establishments—such as the post-office, courts of law and police, offices of registration and other purely local institutions, which are self-supporting. The revenue raised from these and other miscellaneous sources suffice for carrying on the ordinary duties of Government. Of late years the colonies have shown that they are rapidly becoming independent of England; and were it not that military and convict establishments have yet to be maintained, three out of the five colonies of Australia

could and therefore ought to be made wholly to rely on their own resources, and to be in no way chargeable upon the parent country.

This, indeed, is now imperative, from the fact that in granting them free constitutions the revenue from the land has been conceded; and looking at the vast extent of land, and what it has hitherto produced, there can be little doubt that under a sound system for its disposal and keeping it surveyed in anticipation of demands, there will be no restriction of funds which, if only properly handled, will be a steady and permanent revenue, so that neither parsimonious economy nor profuse expenditure should be indulged in. The great advantage of the land fund is, that under the present system one half of the amount produced is devoted to public works, such as roads, bridges, and the maintenance of internal communication. The means of employment and the development of public resources are thus provided for the population, which it is the object of the other half of the fund to introduce into the colonies. This combined system, which is as fair to the capitalist as the labourer, has effected immense benefits for Australia; and so long as there is abundance of land remaining unsold, the future progress of the colonies is indisputable, as the principle, if fairly adopted, is sound and advantageous to all classes.

In now examining the finances of the colonies it may be premised that the figures quoted embrace the two sources of revenue, viz., that derived from the land, which is termed "crown revenue," and that derived from the import duties and miscellaneous taxes, which is termed "ordinary revenue." The former includes, besides the actual purchase money for lands bought from the Government, the yearly produce of lands leased, licence-fees for pasturage, for cutting timber, and for working gold lands, together with fines and penalties enforced by the Crown for offences or encroachments upon the public lands. These sources of income will show the different tenures upon which the land is held, and how readily the system of occupation has provided for the wants of the people, yielding the fee simple to those who intend permanent improvements, and short leases for those who only need "runs" or pasturage for their extensive flocks and herds. The finances of New South Wales are as follow:—

YEAR.	CROWN REVENUE.	ORDINARY REVENUE.	TOTAL REVENUE.	TOTAL EXPENDITURE.
1850	£122,283	£248,613	£370,896	£373,580
1851	204,508	277,728	482,236	439,963
1852	153,208	336,001	489,210	563,447
1853	224,340	557,544	781,884	653,201
1854	351,059	640,624	991,683	630,812

The general finances of this colony, it will be seen, are in a most healthy condition. The increasing demand for land is shown by the remarkable fact, that the revenue from sales alone has increased from £6,745 in 1844, to £288,616 in 1854; and this, it may reasonably be supposed, is legitimate, inasmuch as the public lands of New South Wales

now available for purchase are somewhat remote from Sydney, spread over the country districts, and situated about the extensive coast of the colony, which must soon be the scene of great activity, both in commerce and agriculture. The ordinary revenue is also progressive, the best proof of an increasing trade, which, in this instance, has not grown into undue magnitude, but is rather the result of well directed enterprise, arising out of the wants and increased wealth of the population.

The finances of Victoria suggest graver inquiry, for the rapidity with which everything has advanced when in proximity to the alluring and remarkable gold-fields of that colony is also noticeable in the returns connected with the public exchequer.

YEAR.	CROWN REVENUE.	ORDINARY REVENUE.	TOTAL REVENUE.	TOTAL EXPENDITURE.
1850	£136,651	£122,781	£259,432	£196,460
1851	300,874	198,167	499,041	410,864
1852	720,900	914,594	1,635,494	981,566
1853	1,553,825	1,648,423	3,202,248	3,564,858
1854	1,426,449	1,796,723	3,223,172	•

The debt of 1853 appears trifling from these figures, but in reality it was not less than £1,085,396. The estimated expenditure for 1854 was not less than £4,801,202, which would entail upon the colony a further debt of £1,578,030! How is this great and increasingly dangerous deficiency provided for? The deficiency of 1853, then, was met from three sources:—First, by the Governor appropriating the moiety of the land fund available for emigration to the purposes of the general revenue; second, by a loan from the Melbourne corporation of £300,000, which was raised by debentures guaranteed by the local Government; and third, by negotiating cash credits, of £100,000 each, from four of the banks among which the Government business was transacted: such loans to be availed of when, and only to the extent, required. The expenditure of 1854 was doubtless fully equal to the amount anticipated; and if so, further measures, either by way of loan or reduction, would be inevitable. This perilous condition of the public finances, with the effects upon the credit of the Government, have not escaped the serious attention of the Legislative Council or of the constituted authorities in England. Public opinion, has also acted with such force upon this subject, that towards the close of last year the Council rejected the estimates submitted by the officers of the Crown; they were consequently withdrawn, and very considerable reductions effected. Towards remedying the past evils, a new tariff was passed, further taxes imposed, an export duty on gold substituted instead of the license fee, and large reductions on all establishments and public works immediately promised. Seeing how prejudicial had been the effect of appropriating the emigration moiety of the land fund, the Council wisely determined, before perhaps it would have

\* Not at present ascertainable.

been irremediable for years, that no reserve should be made from that source to aid the general revenue of 1855, and that the estimated amount of £100,000 should be at once transmitted to England for the promotion of immigration. The sum of £869,000, which had previously been misappropriated, they declared they could not sanction, either as a loan, or in any other form, as it was an amount of money "solemnly guaranteed by act of Parliament, for the purposes of emigration,"—a determination which has done much to redeem the profuse extravagance, encouraged by both official and legislative mismanagement during the period which immediately followed the gold discoveries. The list of useless and unproductive works then contemplated and partly carried out reminds one of the days when golden dreams and fairy palaces rose as by enchantment to please the infant mind, and had it not been a sober reality that public money was being dissipated, and one of the most promising regions of the universe turned into a scene of prodigality and wasteful extravagance, there might have been allowed to such juvenility in government an opportunity of showing to what lengths folly and recklessness, could have been carried under the sudden acquisition of those treasures, which have turned so many from the paths of moderation, prudence, and good management. In the year 1853, alone, the Council voted £1,353,000, for the erection of public edifices, including a senate-house, palaces, hospitals, and asylums; they patronised the arts, science and literature; they laid down bridges, built towers, planned public gardens, libraries, and museums, and for a time their benevolence and liberality might be said to be of imperial magnitude, and upon some points without a limit either defined or recognised. All this of course led to a large staff of officials, who had from the unnatural condition of the markets, to be remunerated on a costly scale, and even then, such was the confusion, and with such rapidity were the changes made that all was in chaotic disorder, so that at last the authorities fairly broke down, and found themselves unequal to the task of government—both as regards public order over persons and property, or the due regulation of receipts and expenditure. Fortunate was it the mischief was thus arrested, as the time is yet favourable to place the affairs of Victoria in a position of safety, by which her unrivalled resources may be properly and economically developed.

There now remain the public balance-sheets of South Australia to examine, and it will be seen that in proportion to her population, the accounts exhibit a progressive and sound condition of affairs.

Year.	Crown Revenue.	Ordinary Revenue.	Total Revenue.	Total Expenditure.
1850	£95,999	£145,250	£241,249	£236,055
1851	95,511	127,046	222,557	185,506
1852	121,137	102,325	223,462	140,047
1853	314,432	208,896	523,328	284,783
1854	394,581	305,929	700,510	630,812

This admirable state of things has been brought about by the wisdom of the colonists, learnt from early disasters, and the doctrine laid down by the "fathers and founders" of the settlement, that it was to be conducted on self-supporting principles. The temporary assistance received towards laying the foundations of the present prosperity, has long since been repaid; no new loans have been contracted, but on the contrary, the expenditure made to harmonise with the receipts, and all establishments and public works are made dependent either on immediate wants, or on their soon being reproductive. The revenue received from the public lands has been so constantly augmenting, that the surveys are well in advance of the demand, while the roads, bridges, and harbours, are kept in good working order.

Connected with the public finances, are the securities issued under the guarantee of the respective Governments, which is given for certain special objects connected with emigration and works of public utility and convenience. The money raised for emigration purposes is secured upon the territorial revenues, while the other bonds for public works and communications are secured on the ordinary revenues. The New South Wales Government have raised various amounts of money at different periods for emigration purposes, but the following statement shows the whole of the Land and Emigration Debentures outstanding on 14th July, 1854, distinguishing those payable in London from those payable in the colony :—

Date of Issue.	Amounts.	Interest per diem.	PAYABLE ON THREE MONTHS' NOTICE.	
			From Government.	From Holder.
Feb., 1851 .....	£10,000	3½d.	May, 1854.	May, 1856.
Nov., 1851 .....	69,600	3½	Feb., 1853.	Feb., 1857.
Feb., 1852 .....	30,400	3½	May, 1853.	May, 1857.
Aug., 1852 .....	50,000	3½	Nov., 1855.	Nov., 1857.
Sept., 1853 .....	6,700	2½	Dec., 1856.	Dec., 1858.
Nov., 1853 .....	50,000	2½	Feb., 1857.	Feb., 1859.
Mar., 1854 .....	30,000	2½	June, 1857.	June, 1859.
Total.....	£246,700		Payable in Colony.	
Aug., 1852 .....	£50,000	3½d.	Nov., 1855.	Nov., 1857.
Sept., 1853 .....	43,300	2½	Dec., 1856.	Dec., 1858.
Mar., 1854 .....	30,000	2½	June, 1857.	June, 1859.
Total.....	£123,300		Payable in London—Gen. Total £370,000	

The interest payable on these bonds is at the rate of £4 18s. 10½d., and £4 3s. 7½d. per cent. per annum respectively. From the abundance of capital in Sydney, they have been eagerly competed for at good premiums, varying from £102 to £104 per cent., while, from frequently being bought by the banks, who have nearly always been tenderers, at times when they wanted to issue bills on London to adjust the exchanges, a discount of £5 and £6 per cent. has in some cases accrued to the Government from the banks bills taken in payment. It may

be useful to state that these debentures are issued without the holder's name being inserted, so that they may be transferred like exchequer bills, but a specified party can have his name inserted if wished, in which case they must of course be properly endorsed before payment can be made. They are redeemable on and after the periods fixed, at the convenience of the Government, the funds coming in to the credit of the territorial revenue regulating the repayment.

The miscellaneous securities can only be briefly mentioned, as in this country full particulars are difficult to ascertain.

*Sydney Railway Company.*—The capital of £350,000, is in shares of £5 each, under Government guarantee. Interest, 5 per cent. per annum.

*Hunter River Railway Company*, guaranteed by Government. Interest, 4 per cent. per annum.

*Geelong and Melbourne Railway Company*—Capital, £350,000, in shares of £20 each, bearing a minimum interest of 5 per cent. per annum, which is guaranteed by Government for twenty-one years, and is made payable half-yearly, in the colony or London.

*Adelaide City and Port Railway.*—Government undertaking, with an interest of 6 per cent. per annum; both principal and interest secured on the general revenues of South Australia. The bonds are redeemable at specified dates, the longest date at present issued being January, 1869, and they are payable in London or the colony, at the option of the holder.

*Gawler Town Railway.*—Very similar terms to the foregoing are proposed for these securities, but none have at present been issued.

As nearly as can be ascertained, these are all the railway undertakings with which the Governments of Australia are identified, and the only securities to which their guarantee extends, except the following, which are in connection with Victoria:—

*City of Melbourne Loan.*—£525,000 in amount, bearing interest of 6 per cent. per annum; the bonds being redeemable at the rate of £25,000 per year, so that the loan will be extinguished in twenty-one years. The interest and principal are payable either in London or Melbourne.

*Geelong Corporation Bonds.*—The amount is £200,000, at 6 per cent. per annum. The loan will be extinguished in the year 1875, as £10,000 are to be annually redeemed. The holders may claim principal and interest either in London or Geelong.

The finances of Australia will be worthy of increasing attention, as the colonists, under the new constitutions recently granted by the Imperial Parliaments, are about to enter upon the period of full and complete self-government, so that not only will they have to manage their general receipts and expenditure, but also the whole of the land fund. Their history, whether it is marked by wisdom or folly, by prudence in expenditure or by reckless extravagance, is now to be entirely of their own making. Their future course should be alike wise and noble, for there is a well disposed population, combining industry, intelligence and capital, and the management of the finances

should be sound, economical, and prudent, steering free from parsimony with the great resources the colonies possess, but above all having no engagements which cannot be easily met, while the expenditure should be within the receipts, and the public establishments frugal, effective, and necessary only for actual requirements.

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#### A DEFENCE OF THE BANK CHARTER.

AN outcry against the Bank Charter Act, says the *Times*, is an inevitable accompaniment of financial pressure. In quiet times, suitable for the discussion of such a question, its opponents are unable to get a hearing. When everybody is inconvenienced, and it is agreeable for the public to find something upon which to vent their dissatisfaction, the Birmingham Chamber of Commerce and its imitators lift their heads, and multitudes are ready to be persuaded that the measure of Sir Robert Peel is the cause of all their suffering. Happily the whole matter can be put into short compass. What is the groundwork of the act, and what is the system recommended in its place? The doctrine of Sir Robert Peel simply was, that no currency could be considered perfect which would not, at all times and under all circumstances, maintain the same intrinsic value, and it has never yet been shown how this is to be accomplished on any other principle than that which he established in 1844. At that period, the paper circulation of the country was nearly the same as at present, and consisted partly in notes of the Bank of England and partly in those of joint-stock and private banks. Supposing this circulation to be required solely for internal commerce, no necessity could exist for gold being held against any portion of it. A deposit of Government stock, or the fact of its being receivable for duties, would at all times keep it from fluctuation in value. But as we require gold to meet balances of debt to foreign nations at periods when our exports have not been fully sufficient to pay for our imports, we must have some means of converting our circulation into this material. The bank-note professes to be good for a certain weight of gold. It is on the payment of a certain weight of gold that every contract throughout the kingdom is made contingent. If when the merchant wants this gold to send to his foreign correspondent, he finds he cannot change the notes in his possession for the full amount they purport to represent, he is a loser precisely to the extent of their deficiency. Absolute and immediate convertibility is therefore a necessity admitted by all except the few dreamers who find voice at moments like the present. But it will be said, "If that is the case, the Bank should hold gold against every note in circulation, and as the paper now afloat in the country is £33,000,000, while the gold at the Bank is only £11,750,000, it is evident that even under our existing system the idea of perfect convertibility is but a fiction." Practically, however, there is no fiction in the case, and it is capable of demonstration that, under no conceivable circumstances, so long as the act of 1844 is in operation, could the supply of gold at the Bank fall short of the demand. To carry on the internal trade of the



country a certain amount of currency is essential. In proportion as the currency becomes contracted by the conversion of bank-notes into specie and the transmission of that specie to foreign countries, the value of what is left steadily increases. The rise in the rate of discount thus occasioned causes universal economy to be practised, imports are countermanded, exports are stimulated, foreign balances are called in, and in a short time the exchanges turn in our favour, and gold flows back upon us. It is evident, therefore, that the amount of the currency could never be reduced below a certain point without producing a pressure for money which would not only infallibly check the demand for gold for exportation, but would turn the tide, and cause it to be sent to us. The question arises, "What is that *minimum* point? since, if we can ascertain it, we then get the limit to which we may safely issue notes without the necessity of keeping gold against them. Experience seemed to show that £22,000,000 might be taken as the total, and this was adopted by Sir Robert Peel. The Bank of England were consequently allowed to circulate £14,000,000, based on Government security, and the provincial banks £8,000,000 on their own responsibility, subject to the condition, that in case of failure the privilege of issue should be withdrawn from them. This £22,000,000 may therefore be regarded as the fixed internal note circulation of the country, while all beyond that must be represented by gold, and, consequently, be liable to fluctuations in amount just as the course of trade may bring specie to us or take it away—these fluctuations being precisely the same as would occur if our entire circulation were metallic.

A more simple system or a clearer principle cannot be conceived. The next inquiry is, what is proposed to be substituted by those who would sweep it away? On this no half-dozen persons have ever been found to agree. It is exactly like the case of a Continental revolution, where there is extraordinary unanimity when the existing ruler is to be overthrown, and nothing but anarchy when the new one is to be thought of. There appears a great amount of opposition to the act, but, probably, each among the thousands who denounce it would turn in its favour if he were told it was to be done away with without his own peculiar *crochet* being adopted in its place. There is, therefore, no opposition whatever that its supporters are called upon to meet, unless they can be expected to deal with each of these theorists in turn, instead of leaving them to contradict each other. Nevertheless, the mischief of the constant outcry is such that a re-discussion of the whole question in Parliament cannot be arranged too soon. We shall then once more get upon record the reasons to be given for the various suggestions which, in the absence of examination, are idly accepted as embodying everything that is essential to prevent "enterprise" from being checked or unlimited expenditure from being followed by pecuniary derangement. We shall learn the motives which should prompt us, when gold is leaving our shores on account of the rate for money being lower here than elsewhere, to resort to an additional issue, and thus increase the evil. The question, "Why should there not be free

trade in money as in everything else?" will also receive its solution, as well as that concerning the nature of the peculiar call to suspend specie payments during war, while, at the same time, the axiom put forth lately by the Birmingham Chamber of Commerce, that but for the Australian discoveries the bill of Sir Robert Peel could never be worked, will be fully brought up for illustration. It will then appear, perhaps, that the supporters of that bill have not necessarily any objection to free trade in money; that they see no reason why the legislature should interfere to prevent individuals or companies from issuing their promises to pay in any form or to any extent to which the public may be willing to receive them; and that all that is absolutely contended for is that these notes should not be made a legal tender, and that if the Government compel people to accept any set of notes as equivalent to gold, the convertibility of those notes at least shall be protected by an unswerving law. In relation to the war, it will be told why we should give the signal for a universal hoarding by decreeing a suspension of specie payments when the foreign imports, which alone derange the balance of our revenue and expenditure, must be still paid for in gold, no matter to what contrivances we may resort, and why, if the use of the national credit be necessary, it should not be adopted in the legitimate form of post-notes, bearing interest, instead of by compelling creditors to receive their claims in paper at a discount. With regard to the effect of the Australian discoveries, it will be for the ingenuity of the Birmingham Chamber to explain how the working of a law, the principle of which is merely to regulate the relative distribution of gold between this and other countries, could have been in any way influenced by the quantity of that gold that might from time to time be in existence. Inasmuch as the fitness of gold for its functions depends upon its relative scarcity, and if one-half of the quantity existing in the world were swept away to-morrow the remaining half would then be equal in value to the whole, it will likewise be requisite for them, if they intend to intimate that our circulation has received any intrinsically valuable addition from these discoveries, to show the manner in which it has been brought about.

That some modifications of the measure, which in no way affect its principle, are open to debate, is admitted. It has been questioned, for instance, whether, in fixing the amount to be issued by the Bank on securities, the limit of £14,000,000 was not unnecessarily low, although, supposing such to be the case, it is an error on the side of safety, and the fact must be borne in mind that if it were raised to £16,000,000 or any other point considered within the verge of prudence, that verge once attained the operation could never be repeated. Some defects have reasonably been complained of with regard to the periods within which the country bankers are compelled to keep the average of their issues; and lastly, the Government are open to serious reproach for not having filled up the deficiencies in the country circulation, amounting to £700,000, which have occurred since 1844 through the failure or retirement of individual banks. This, however, is a fault, not of the

act, but of the several Chancellors of the Exchequer who have neglected the special provision it contains for the purpose.

The circumstance of the act having been suspended in 1847 is an argument used by those who are unable to show that it has any inherent defect. But its operation never was suspended. At the very moment when it had accomplished all that had been anticipated, and when a reaction had palpably commenced, the public were promised that, in case of need, it should be set aside; but this was simply to allay a panic, in which the loss of self-possession was such as had never before been witnessed in a rational community. Sir Robert Peel could foresee the natural operation of the act, but he could not foresee the insane terror which the misapprehension of its possible consequences would occasion. That it was the terror of the act, and not its operation, that required to be palliated, was shown by the fact that the moment this terror was removed every man found himself at ease. To deal with the public according to their irrationality it was necessary to suspend a rational law, and the penalty has been, as was predicted, the growth of a belief that, by getting up a panic at any time, the Government may be forced into a similar concession. Under such circumstances it has been naturally asked, whether it would not be better to abrogate the law altogether, and to indulge the public with experiments until they shall have satisfied themselves as to what they will be prepared to maintain? General uncertainty is more fair for all parties than fixed laws which are only fixed so long as there is no agitation to undo them.

Let the act be set aside and one thing is inevitable, namely, that the amount of the circulation must thenceforth be left to the wisdom of the Government or some other individual body. In fact, the conferring a discretionary power is what is clamoured for, although it was the necessity for the abolition of this discretionary power that compelled Sir Robert Peel to legislate. Instead of leaving the fortunes of the community to be liable to peril from the caprices of individual judgment, he placed the currency upon a footing to be subjected to no influences but the natural ones of supply and demand, so as to enable every trader who would take the trouble to observe the course of the exchanges to exercise a discretionary power for himself, and not to look for it helplessly in official quarters. It will be for the people, through their representatives in the next session of Parliament, to decide whether the responsibility thrown upon them from this condition of freedom is more than they can bear, and if they should answer in the affirmative, to select the functionaries, either at Downing-street or at the Bank, that shall for the future have the control of their fortunes and be responsible for the prevention or mitigation of all financial troubles.

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## TRADE OF THE UNITED KINGDOM.

THE Board of Trade returns for the month ending the 30th of September were issued on the 28th of October, and present continued indications of an active commerce. Compared with the month ending the 10th of October last year, which was one of considerable depression, they show an apparent falling off of £180,906 in the declared value of our exportations; but as the tables on that occasion comprised thirty-five days instead of only thirty days, it will be necessary in this instance to add a sixth to the total to enable any contrast to be made. In such case, instead of a falling off, there would appear an augmentation of more than £1,300,000. The subjoined table exhibits the exact increase or decrease in each article as the figures stand:—

## DECLARED VALUE OF EXPORTATIONS.

Months ending Oct. 10th, 1854, and Sept. 30th, 1855.	1854.	1855.	Increase.	Decrease.
Alkali—viz., soda ... ..	£59,979	£39,411	—	£20,568
Beer and ale ... ..	89,101	77,791	—	11,310
Butter ... ..	49,655	69,658	£20,003	—
Candles ... ..	20,470	34,607	14,137	—
Cheese ... ..	6,736	12,990	6,254	—
Coals and culm ... ..	226,319	247,367	21,048	—
Cordage and cables ... ..	27,741	18,364	—	9,377
Cotton manufactures ... ..	2,328,443	2,403,558	75,115	—
Cotton yarn ... ..	577,059	654,170	77,111	—
Earthenware ... ..	129,467	94,277	—	35,190
Fish ... ..	133,831	173,687	39,856	—
Glass manufactures ... ..	60,494	50,276	—	10,218
Haberdashery and millinery ... ..	311,549	291,968	—	19,581
Hardware and cutlery ... ..	379,906	277,338	—	102,568
Leather ... ..	151,155	124,764	—	26,391
Linen manufactures ... ..	380,509	867,016	—	13,493
Linen yarn ... ..	72,259	71,580	—	679
Machinery ... ..	163,305	202,349	39,044	—
Metals ... ..	1,469,287	1,231,684	—	237,603
Oil and seeds ... ..	106,063	67,546	—	38,517
Painters' colours, &c. ....	39,306	26,309	—	12,997
Salt ... ..	27,838	43,160	15,322	—
Silk manufactures ... ..	96,716	103,189	6,473	—
Silk, thrown ... ..	13,401	20,340	6,939	—
Silk, twist and yarn ... ..	88,460	22,127	—	16,333
Soap ... ..	84,401	27,762	—	6,639
Stationery ... ..	78,855	60,696	—	18,159
Sugar, refined ... ..	5,707	11,045	5,338	—
Wool, sheep or lambs ... ..	75,886	65,615	—	10,271
Woollen manufactures ... ..	740,986	768,936	27,950	—
Woollen yarn ... ..	169,915	204,840	34,925	—
Unenumerated articles ... ..	1,196,766	1,208,239	11,473	—
Total ... ..	9,261,565	9,072,659		

With regard to imported commodities, the same allowance of an additional sixth would have to be made to arrive at a comparative esti-

mate of the two periods. Even in that case, however, it would be seen that considerable economy has been practised in the consumption of most articles of food and luxury.

Subjoined are the quantities of provisions, &c., imported and taken for home consumption :—

Months ending Oct. 10th, 1854, and Sept. 30th, 1855.	Imported.		Home Consumption.	
	1854.	1855.	1854.	1855.
Grain, wheat, qrs. ....	91,247	135,107	91,247	135,107
Grain of other descriptions, qrs.	158,363	150,220	158,363	150,220
Indian corn, qrs. ....	44,225	92,686	44,225	92,686
Flour and meal, cwt. ....	90,837	65,229	90,837	65,229
Provisions—Bacon, &c. &c., cwt.	64,019	18,645	Free.	Free.
Butter and cheese, cwt. ....	100,450	81,248	93,458	78,636
Animals, No. ....	61,619	47,105	Free.	Free.
Eggs, No. ....	9,862,800	6,816,000	9,862,800	6,813,800
Cocoa, lb. ....	373,211	456,832	349,053	263,500
Coffee, British, lb. ....	2,109,742	5,764,789	2,873,914	2,145,805
Ditto, foreign, lb. ....	5,149,271	3,329,757	556,376	547,227
Total coffee ...	7,259,013	9,094,546	3,430,190	2,693,032
Sugar—				
West India, cwt. ....	692,997	346,411	337,519	249,248
Mauritius, cwt. ....	120,814	96,264	56,837	81,806
East India, cwt. ....	53,903	26,002	37,499	43,854
Foreign, cwt. ....	675,568	224,627	377,210	199,819
Total sugar ...	1,546,287	693,304	809,065	574,727
Tea, lb. ....	9,748,825	919,762	5,937,579	4,013,752
Rice, cwt. ....	86,279	289,296	52,145	101,680
Spirits, gallons ....	1,089,939	1,035,679	587,587	355,994
Wines, gallons ....	1,001,481	512,723	699,570	522,553
Opium, lb. ....	1,018	17,944	5,806	4,003
Tobacco, lb. ....	939,412	4,567,013	2,894,823	2,464,859
Currants, figs and raisins, cwt. ....	49,274	27,309	38,342	4,515
Lemons and oranges, bushel ...	3,965	3,518	2,914	3,293
Spices, lb. ....	1,016,596	441,365	449,074	387,973
Ditto, cwt. ....	2,692	1,131	391	389

The following are the comparative imports and exports of raw material :—

Months ending Oct. 10th, 1854, and Sept. 30th, 1855.	Imported.		Exported.	
	1854.	1855.	1854.	1855.
Flax, cwt. ....	124,407	187,921	—	—
Hemp, cwt. ....	104,035	104,816	—	—
Raw silk, lb. ....	689,207	480,470	107,026	212,668
Cotton, cwt. ....	407,143	523,496	137,570	117,084
Wool, lb. ....	7,950,012	10,673,820	726,919	873,425
Tallow, cwt. ....	79,941	43,312	—	—



## GENERAL CURRENCY DOCTRINES.

At a period when the provisions of the Bank Charter Act are so severely criticised, it is necessary to furnish the views both of advocates and opponents, and we consequently wish to intimate that we shall be most ready to give insertion to temperate and well-expressed opinions on the question at issue, believing that it will lead to beneficial results. On previous occasions we have published papers have shown the difficulties attending the working of the charter, and supporters also are able to defend their position, and maintain that interference will be sure to produce dangerous consequences. The following articles, extracted from the *Scotsman*, are favourable to the "bullionist cause," as it is termed, and they are understood to emanate from the pen of Mr. George Combe, of Edinburgh.

The Edinburgh Chamber of Commerce has petitioned Lord Palmerston "to advise the immediate suspension of the act 7th and 8th of Victoria, chap. 32," commonly called the Bank Restriction Act, "with a view to its ultimate repeal." The grounds of this request are, that the act is at present "exercising an injurious influence on the trade and commerce of the country; that though this act was intended to secure the country against a panic in monetary affairs, it has proved, both in 1847 and at the present moment, to have an exactly opposite effect; and, in the opinion of the memorialists, nothing short of the interposition of the executive can prevent the most disastrous consequences arising from its continued operation."

On previous occasions we have largely entered into this question; it seems difficult to maintain its real merits steadily before the public and as it is one of vital importance, we feel constrained to enter into the consideration of it; and we shall endeavour to do so in the plain language and spirit of common sense, avoiding as much as possible technical terms and abstract arguments.

The "currency" means simply a thing which all persons shall be allowed to use as a medium of exchange in buying and selling. It is also called "a standard of value," because the "price" of every commodity bought and sold is measured by it. Prices are said "to rise" when we must give an increased amount of currency for the things bought, and "to fall" when we obtain them for a smaller amount.

In the present instance, for the sake of elucidation, we may divide buyers and sellers into two classes:—first, those who reside in our own kingdom and are governed by the same laws; and, secondly, foreign nations who have no connection with Great Britain except as voluntary buyers and sellers in her markets.

The members of the British community, in buying and selling for themselves, may use anything as a standard of value or currency in which they all have confidence; no matter whether it be paper, gold, or silver. But if they select a thing for currency that may be increased or diminished in quantity arbitrarily, the prices of commodities bought and sold will rise when it is increased and fall when it is diminished in quantity arbitrarily as its quantities are varied. The problem, therefore, is to find a thing which cannot be arbitrarily increased and diminished in quantity and one also in which all shall have perfect confidence; for if the thing is arbitrary, prices vary arbitrarily; and if confidence is not universal, its utility as currency ends where the confidence fails. If a shire, for example, should decline to sell its goods to be paid for

thing which Edinburgh employs as its currency, or *vice versâ*, commerce between those places could not be carried on, and barter would be the only resort. If, therefore, we select paper as our sole internal medium of exchange, it must be paper which shall not arbitrarily vary in quantity, and which also shall be received as of the same value from Caithness to Devonshire, and from Londonderry to Limerick and Cork. Is this what the Chamber of Commerce desires Lord Palmerston to supply? If it be so, why do they not tell him how to find it? Let us hear what they recommend.

They inform his lordship that they "do not object to the principle of stipulating, on the part of the public, for security from those intrusted with supplying the paper currency of the realm; but they do most emphatically object to the plan of restricting that security to the possession of gold alone." Let us ask them, then, whether they desire the quantity of the paper currency to be increased *ad libitum* by those entrusted with supplying it, on the sole condition that they shall give to the public securities equal to its amount? And, secondly, as they emphatically object to restricting the security to the possession of gold, what other things they propose to be taken as securities?

To render the answers intelligible, let it be borne in mind that the bank-note is a promise to pay £1, £5, £10, £20, or £100, to the holder on demand. If the security is gold sovereigns, the promise can be redeemed if the bank possesses gold in proportion to its issues; but the memorialists object to this, and desire some other article of value to be pledged as security.

What, then, shall it be? Shall it be acres of land, houses, mills, and machinery, colonial produce, pig iron, railway stocks, Government stocks, or merchants' bills, and promissory notes? We suspect that the latter are what the chamber has chiefly in view, and that they desire paper currency to be increased in proportion to the mercantile bills presented for discount; but let us assume that the former things may be taken as securities, do they mean that the paper currency shall be increased to any extent as long as these things, or any of them, are offered and taken as securities? If they do so, and as they object to the issuers of the notes being bound to pay in gold, the form of the note must be varied into "I promise to pay in securities equivalent in value to £5." We ask, "Equivalent to £5, of value in what?" As the chamber excludes gold, shall the payment be made in tea, in broadcloth, in acres, in machinery, or in what? This question must be answered, because, if the notes are not to be payable in gold, they must be payable in something else, otherwise they would be mere waste paper, and nobody would buy and sell by them. But if they be made payable in a thing that everybody cannot use again as currency, they are not serviceable for purposes of commerce. They will not be received by those who cannot pay their own debts with them. Now, we ask, would notes payable in acres of land in Scotland be received as currency in England or Ireland, or *vice versâ*.

In the next place, will the Chamber of Commerce point out how the arbitrary increase of the paper currency can be prevented, if the only restriction on the issue of it is to consist in the deposit of securities? On this principle, we may have a paper currency equal in quantity to the estimated value of the whole property of the country; and if so, what would be the value of such a currency?

These may appear to be abstract arguments; but, in point of fact, the very thing which the Chamber of Commerce recommends has been practically tried in the United States of North America; and we shall describe the results of the experiment.

Some of the states passed acts, by which a public comptroller was autho-



ried to take from any persons, or associations of persons, wishing to issue bank-notes, pledges of state stocks yielding dividends, and "mortgages upon improved, productive, and unencumbered lands," and to give them in return notes, certified by them as thus secured, to be used by them at their own discretion as currency.

The articles pledged, although hypothecated to the comptroller, remained the property of the currency vendors, who drew the profits and dividends of them for their own advantage as long as no demand was made on the comptroller for liquidation of the notes. The annual returns of the things pledged may be stated at 7 per cent.; and the bank-notes, when lent out in discounting bills, or on mortgages, brought other 7 per cent.—this being the common rate of interest in the United States.

Jonathan was not slow in discerning that this was a capital speculation. For 100,000 dollars of capital he obtained the profits of 200,000 dollars, minus the expenses of the paper on which his notes were printed, and those of his establishment of cashiers, clerks, and porters for carrying on the circulation.

There was immediately a rush towards pledging "securities" and issuing bank-notes, and money became exceedingly abundant; the price of every commodity rose with a rapidity corresponding to the issue of the notes; every man who bought and sold believed himself enriched. In New York the bottom of the sea next to the streets was actually mapped into lots and became a subject of extensive dealing.

In our country similar results would inevitably ensue from similar proceedings. If the things hypothecated as security for the currency yielded a revenue, and if the currency makers were allowed to draw it, and at the same time the profits of its value in currency notes, a direct inducement would be given to them to swell their issues as extensively as possible; and, from obtaining a double return for their capital, they could afford to encounter risks in doing so which no capitalist enjoying only a single return could face. They would naturally, therefore, become the patrons of adventurers and speculators, who would circulate their notes extensively and keep them long afloat. Such issues would certainly have the effect of raising the prices of commodities to an extent corresponding to their amount.

The Chamber of Commerce will, we hope, acknowledge that, according to their views, America was then a commercial paradise. Bank-notes issued *ad libitum*, security not questioned, and confidence universal:—what more could be desired? But America consists of different states, as Britain does of different kingdoms; and, like Britain, it also trades with foreign nations. The people of Ohio and Missouri, whose pockets were full of paper currency, gave very large orders for goods to the merchants of New York, Boston, and Philadelphia, who duly executed them. The bills given for the purchases were payable in those eastern cities; and when the western debtors went to their own bankers for bills of exchange on those places in return for their own local currency, the bankers discovered that their home customers had bought more from the eastern cities than they had sold, that they had already drawn on the east for every dollar which the east was indebted to them, and could draw no more. The western merchants then sent their own currency notes to the eastern cities in payment; but, unfortunately for them, the merchants there had already paid all they owed to the west, and nobody in New York or Philadelphia wanted western notes for any purposes of use, and nobody was disposed to travel 600 or 700 miles to request the cashiers of the western states to pay their notes, or, in those states in which security had been given, to require the comptroller to sell the pledged securities and pay them the money produce. Moreover,

every one knew that it was physically impossible in either case to obtain the amounts in money; for there was no currency in which the pledged property, when sold, could have been paid, except bank-notes, resting on securities or on the mere promise of the banker.

Jonathan now found himself in a fix, and became alarmed. A friend was in Albany at the time, and intended to visit Cincinnati. He obtained as many Cincinnati bank-notes as he desired, at a discount of 25 per cent., in exchange for New York bank-notes, which were still paid in gold. These western notes were then current in Ohio as sound currency, and he used them as such in paying his travelling expenses. What followed? When the eastern merchants declined to receive the western notes in payment, the very evil which the Chamber of Commerce asserts to be the result of the obligation on the Bank of England to redeem its notes in gold actually ensued. Every one rushed to the banking houses, and demanded payment of the notes in specie, for the notes bore to be payable, not in securities, but in dollars. The bankers had neither gold nor silver, and those who had pledged stocks and given mortgages told the holders that the comptroller held securities, and that the notes were perfectly safe, and equal in value to dollars in hard cash. Jonathan, however, could not believe this, for two reasons, which bear directly on our present circumstances, and which we shall state in the course of some further remarks we intend to offer on the subject,

In speaking recently of the present aspect of the currency question, in relation to the recent strange resolutions of the Edinburgh Chamber of Commerce, we used, as illustration, the experience of the United States, and brought up the narrative to the point at which Jonathan found that the banks could neither give him silver nor gold for the notes, but referred him to the amount of "securities," such as state stock and mortgages, which they had deposited in the hands of the "Public Comptroller." Let us now see the two reasons—reasons bearing closely on our own circumstances at this moment—for which Jonathan found himself unable to believe these assurances:—

1. He found that bank-notes secured on property situated in one state did not command confidence in another. In like manner, bank-notes not payable in specie, but secured on Scotch property, would not command confidence in England and Ireland, and *vice versâ*. 2. Jonathan had bought to a larger amount than he had sold in the markets of Europe, and he discovered that nobody in Europe would receive his bank-notes, secured or unsecured, in payment of the balances due by him. In a similar way, bank-notes, not payable in gold, but secured on property situated in Great Britain, would not be received as currency in France, Germany, the United States, Italy, India, and China (the notes of the Bank of England are now received by the money-changers and the bankers of the Continent, only because they are payable in gold). When, therefore, Britain owed a balance to these nations, or wished to buy from them at a time when they did not desire to buy from her, if she had nothing to offer them except bank-notes not payable in gold, but only secured on British property, her commerce with them would be reduced to barter, or come altogether to a close.

We have not yet, however, exhausted the American experiment. The enormous rise in the prices of goods and property of every description, consequent on this issue of bank-notes, led the merchants of the commercial ports of the United States to give very large orders for goods in Europe. At the same time, these extravagant prices deterred the European merchants from buying largely in the American markets. The consequence was the creation of a large balance due by America to Europe. The American bank-notes were of no avail in paying this balance; but for a time Jonathan

sent the bonds of his states in payment, and as these were taken freely by capitalists in Europe for investments, they, for some time, served as a means of paying American debts to European merchants. The bonds, however, came in such overwhelming quantities, that European capitalists became alarmed about their value, and ceased to purchase them. The American merchants then besieged their bankers for gold in payment of their notes, with a view to send it to Europe in extinction of their debts. The banks of Massachusetts, Connecticut, and New York had contracted their issues in time, and accumulated specie, and paid their notes in gold to the last. Most of the banks in the other states had relied on "confidence" and "securities," and had not taken these precautions, and consequently had no gold to give for their notes. They passed a *de facto* "Bank Restriction Act," for they suspended cash payments without professing insolvency. And what followed? According to our Chamber of Commerce, this practical Bank Restriction Act should "have secured the country against a panic in monetary affairs;" but it had a diametrically opposite effect. The demand for gold had arisen from the necessity of paying debts to countries which declined to receive bank-notes; and when the bank-notes of the three states just mentioned, which could be exchanged for gold, continued to be received as equal in value to gold, the bank-notes of Pennsylvania and other states, whose banks had suspended specie payments, fell to a large discount. In 1839, the bank-notes of Philadelphia, current in that city, were at a discount of thirteen per cent. in New York; and every man who owed 100 dollars in New York was under the necessity of giving his banker 113 dollars of Philadelphia currency for a bill of exchange to that amount. The bank notes of Missouri were at a discount of thirty per cent. compared with those of New York, and the rate of exchange was 130 dollars in Missouri currency for every 100 dollars payable in that city.

Another consequence ensued. When the bank-notes ceased to be reckoned in gold, every one lost confidence in them; and when those who had issued them on "securities" offered those securities for sale, nobody in the suspending states had a currency of the value of gold in which to pay for them, and nobody was *willing* to sell for depreciated bank paper. The prices of all stocks and property, measured by gold, or by the paper of gold-paying banks, fell as rapidly as they had previously risen. Ruin enveloped every man who was in debt, for his creditors *forced* him to sell as long as he possessed any saleable commodity; and the pressure of sales and paucity of purchasers brought prices to the lowest ebb. So far did the ruin extend, that almost all the banks of Pennsylvania, including the United States Bank, with a capital of seven millions sterling paid up, failed; and actually there was not a currency in that State which commanded "confidence" adequate to the daily wants of the community in trade. In the country, the people were forced to resort to barter; and in the city of Philadelphia, the solvent merchants gave orders on the few banks that remained solvent, which the bank on which it was drawn marked as "good;" and the others took it as money, crediting the person who presented it in their books, and debiting the bank on which it was drawn with the amount. The banks settled between themselves the balances arising on these transfers as they were best able.

The fall of prices, and consequent ruin, were not confined to the bank-suspending States. The bankers of New York, Connecticut, and Massachusetts, who continued to pay gold for their notes, did so only by diminishing the quantity of them in circulation; in other words, by declining to accommodate with loans or discounts customers who were unable to pay for the large stocks of goods which they held. These customers were consequently forced to dispose of their stocks at very depreciated prices, fre-

quently involving them in insolvency, and thus the evil was equally widespread and disastrous.

How did this convulsion terminate? The insolvent merchants, and their impoverished customers in the west, limited their purchases in the east to the barest necessities, and laboured hard until they had sent produce to the Atlantic cities to an amount which rendered these cities debtors to them. They then resumed their purchases to the extent of the balance in their favour. The Atlantic cities, again, limited their purchases from Europe to a low amount, and sent forward as much produce as they could command for sale in the European markets, until the balance was again turned in their favour, and then gold was returned to them in liquidation of it. The return of gold enabled the banks to extend their issues, prices of commodities rose in proportion to the amount of gold returned, and the increase of bank circulation and prosperity again dawned on the Union.

Shall this example, and all the demonstrated conclusions of the profoundest thinkers and most experienced practical men in Parliament and out of it, tested during half a century, be abandoned on the mere assertions of the men who, in this instance, have led the Chamber of Commerce? We know there is no panic at present among our people inducing them to draw and hoard gold. The demand for it, therefore, is for exportation. Now, this demand cannot arise unless England is in debt to the countries to which the gold is sent; and it is easy to discover how this has happened. We are buying food and raw produce abroad extensively, and the Government is spending largely in foreign countries; and while this is going on, prices are so high at home that foreign purchases in our markets have declined; a number of our mills are on half time, and our exports, in relation to our imports and to the Government expenditure, taken altogether, have diminished. The contraction of the currency will force us to limit our purchases abroad; and it will also cause the prices of goods to fall at home; the consequence of which fall will be increased purchases by foreigners in our markets, and the balance of trade will turn in favour of England, after which gold will again return.

As no mortal power can avert this sequence of causes and effects, the inconsiderateness with which public bodies commit themselves to opinions they have not weighed is most injurious to the welfare of the country, and to their own weight with Parliament and their fellow-citizens. They appear to do this at the instigation of those of their members who, apparently, are the least capable of leading them to sound conclusions. Do they not perceive that gold is recommended as a currency, and also as a security for bank-issues, by the following advantages? 1st, It cannot be increased and diminished in quantity *arbitrarily*; 2dly, It is accepted as a standard of value, and as a medium of payment, by all trading nations, foreign and domestic; and, 3dly, While held as a security for paper-issues, it yields no return itself, and thus removes the temptation to increase the issues for the sake of the double profit—first, the revenue of the security; and, secondly, the interest on the notes issued.

In this instance the Edinburgh Chamber has made no attempt to grapple with the principles of the currency question; and, apparently from not comprehending these, they have drawn erroneous inferences from the few facts and figures which they quote. It is absurd to be always assuming that in a question such as this, the legislature, which has no separate or sinister interest, after the most anxious inquiry and deliberation, makes and maintains laws designed to impede or injure commerce. The causes, we repeat, which regulate the phenomena of currency and exchange, are as completely natural and as certain in their operations as the force of gravitation itself; and it is folly to ignore these in the way exhibited in this

memorial. It is only by omitting the principles, or misinterpreting the facts, that confusion can be created on this subject; and how can we expect effect to be given to the petition of persons who obviously do not know what or wherefore they are asking?

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#### OUR FUTURE GRAIN SUPPLIES.

THE result of the late harvest, and the prospect of our supplies for the current season, have created a discussion which has drawn forth a great deal of information respecting the position of the grain trade. Although of course different parties advocate different views, the opinions elicited will prove valuable for future guidance. The discussion opened by Mr. J. Caird in the *Times*, and the replies to his letters in other journals, only more strongly testify than ever to the necessity of obtaining official agricultural statistics, which would set at rest the doubts periodically raised with regard to the vital question of the aggregate yield of cereal produce.

Mr. Caird's first letter appeared on the 3rd of November, in which he remarks as follows:—

In the continued absence of authentic agricultural statistics, it is not surprising that the uncertainty regarding the productiveness of the last harvest should cause much public anxiety. At the same time last year I published an estimate of the crops, the accuracy of which has been singularly verified by the result; and, as I have this year had unusual opportunities of observation (having since harvest traversed the entire island from the Solent to John o'Groats), I venture again to submit an entire estimate of the wheat crop of 1855, which will, I trust, in some measure contribute to allay the public anxiety on the food question.

The English wheat crop of 1854 proved one of the best on record. It appeared a large crop at harvest, but it thrashed out even better than is promised. The fineness of the harvest weather perfected a bountiful crop. This was followed by a continuance of the same propitious weather during seed time, and, as wheat was then selling at such a price as most farmers hardly expected to see again, every acre that could be got ready was sown with wheat. So much for the autumn seed time. When spring came, one bushel of wheat was worth two of barley, and the advantage was plain enough of substituting the one crop for the other wherever practicable. Accordingly, an unusually large breadth of spring wheat was sown last season. If we suppose that only one-fourth of the usual breadth of barley land was sown with wheat, that on the four-course system, would add one-fourth to the average breadth of land under wheat.

The weather during May and June was too cold for the wheat crop, with late frosts, and at this period the crop suffered considerably, especially in the south. It was fully fourteen days later than usual in coming into ear, in some places three weeks. But July was warm and forcing, and the weather on the whole was favourable while the crop was in bloom. Towards the end of the month the effect of blight made its appearance, and it then became manifest the ear was partially defective. On the 4th of August harvest was commenced on the Sussex coast; by the 15th it was general over the south of England; and during the next six weeks the weather was everything that could be wished for the cutting and in-gathering of the crops throughout the kingdom. Within that time all the valuable wheat crop was secured, and in excellent order.

The crop has now been tested in all parts of England, and, while the yield is found to fall considerably short of the great crop of last year, and in some particular districts, owing to special circumstances, is very defective, yet, on the whole, it is believed to be nearly an average produce per acre over much beyond an average surface. Farmers' deliveries of wheat in the various English markets during the first week of October for the last three years, as shown by the *Gazette*, are a pretty accurate indication of the correctness of this conclusion. For the week ending October 6, the wheat delivered, was—

1853.	1854.	1855.
Quarters.	Quarters.	Quarters.
95,494	151,801	155,921.

From these figures we should be almost justified in assuming that any defect in the yield is compensated by the increased breadth under crop.

I am inclined, however—and I think it will be a prudent calculation—to assume that the yield of the last wheat crop is something below an average. We may take it at one-tenth, and then with the foregoing data we have the following results as to the produce of 1855, viz :—

	Qrs.
Average wheat crop of the United Kingdom ... ..	13,500,000
To which add one-fourth for increased breadth sown in consequence of high prices, a favourable seed-time, and a liberal use of guano ... ..	3,375,000
	<hr/> 16,875,000
Deduct one-tenth for defective yield of last crop ... ..	1,687,500
	<hr/> 15,187,500
Total estimated wheat crop of 1855 ... ..	15,187,500
Estimated annual consumption of the United Kingdom ... ..	18,000,000

Apparent deficiency to be supplied from abroad ... .. 2,812,500  
which is little more than one-half of the average annual importation of the last five years.

But there are two important circumstances to be taken into account, which will materially diminish this apparent deficiency—the lateness of the harvest and the economy of consumption caused by high prices. The harvest was three weeks later than usual, and we may thus save three weeks' consumption of the present crop. This saving, however, is not one on which it would be prudent to reckon, for in the same degree, the stock of old corn in the country must have been diminished; and a greater margin than this will always be required on hand to meet unforeseen contingencies. But the economy of food caused by high prices, is self-evident to every one, and, if we take it at one-tenth, there will remain little more than 1,000,000 quarters of wheat and flour for which we shall be dependent on foreign supply.

There can be little doubt that the present range of prices will procure this supply from America and Egypt alone, even should the northern European ports be closed against us by the defective crops and high prices anticipated abroad.

Now, if these figures could be relied upon, there would be no further anxiety on the food question. I cannot, however, ask for them any greater dependence than may be given to the result of individual inquiry and observation, and a pretty accurate knowledge of all the wheat-growing districts of Great Britain. It will be obvious to those who have studied the question that the result of this estimate is mainly governed by the supposed increased

breadth of land sown with wheat last season. If my estimate should prove accurate, the present price of wheat is not likely to be maintained. But, if I have materially erred in this, the deficiency may prove very serious. Is this a question that should any longer be left to doubt and uncertainty? The evidence taken by the Lords' Committee on Agricultural Statistics last session conclusively proved the practicability of obtaining accurate returns of the acreage under each crop in the kingdom, which, if at present in operation, might have been published six weeks ago, and would at once have given certainty to the trade in corn, now fluctuating with every new rumour from week to week. The present average price of wheat is exactly 20s. a quarter higher than it was at this time last year! Each month's consumption is thus costing the country £1,500,000 more than it did then; and yet successive governments hesitate about an outlay of some £30,000 to obtain accurate returns, which would calm public anxiety as to the supply of food, and would remove that uncertainty and apprehension which alarms public credit and paralyses trade. Of all the mistaken economies ever committed by a great nation there has never been one more delusive than to grudge the cost of ascertaining facts upon which the trade and welfare of the country are so much dependent.

This letter having been greatly criticised, both by practical and theoretical writers, the majority of whom considered that Mr. Caird had formed a too sanguine estimate of the result of the harvest, and the probable imports to supply the deficiency, he, after the lapse of a short period, thus replied:—

TO THE EDITOR.—Sir,—My last letter on this subject has been much canvassed, and I am bound to say that the weight of opinion among the corn factors is rather against my estimate of the crop—more, however, as I anticipated, in regard to the increased breadth, than the acreable produce. The question of scarcity is thus shown to arise on a matter of fact, which would have been settled by this time had we possessed a system of agricultural statistics.

My estimate of the produce of wheat per acre was one-tenth below an average. Mr. Sturge asks how my own crops yield. I have tested them in Kent and Wigtonshire—the south-east of England and the south-west of Scotland—by thrashing over fifty acres, and in Kent, on light land, I have twenty-six bushels an acre, and thirty-six bushels on heavy land, in Wigtonshire. In both cases, although the crop was generally much laid, the sample (white wheat) is of fine quality, 64lbs. and 60lbs. weight. This shows a full average, and my information from experienced farmers, in some other quarters, is to a similar effect. In certain districts, again, there are failures to a considerable extent, as was stated in my former letter; but in others there is a counterbalancing increase. It is within my knowledge that one of the statistical divisions of a Scotch county returns from 2,074 acres of wheat 7,611 bushels more this year than it did last year from the same breadth. Over that district, the crop is reckoned better this year by nearly four bushels an acre. That is, no doubt, an uncommon case; yet, being not matter of opinion, but fact, it is worthy of note. And if, freeing our minds from the late excitement in the corn trade, we look back calmly to the reports from all quarters during harvest we shall find that the gloomy view now prevalent was not held then. On the 18th of August, the *Agricultural Gazette* published reports from correspondents in all parts of the country, 122 of whom describe the crop at or about an average, while forty-five consider it below an average. Nearly six weeks later, on the 24th of September, the *Mark Lane Express* gave a similar table of reports from its correspondents in thirty-six different English counties, sixty-nine of whom describe the

crop at or above an average, and twenty below an average. We have thus, from two different sources of information, and extending over a period of several weeks, a body of evidence from the wheat-growers themselves, showing a proportion of three to one in favour of an average yield. Generally, the crop has been more laid than usual. The yield, therefore, is not in correspondence with the bulk—the weight is, in many cases, deficient; but, making due allowance for this, I believe the deficiency, on the whole, will be covered by an estimate of one-tenth below an average crop.

My estimate of one-fourth increase of breadth under wheat, not over last year, but over an average breadth, is of course more open to criticism. I offered it as an individual opinion only, and I will state the grounds of that opinion. But let me first correct an oversight in taking the supposed increase from the barley crop alone, instead of from all crops grown by the farmer, including oats and green crops, as well as barley. It is objected to this that rotations are so strictly observed as to render so large an appropriation of the land to wheat impossible. I am of a different opinion. Drainage, better cultivation, and a very general use of artificial manures, have given the farmer a power of drawing on his land which his predecessor, without these advantages, could not have risked. It is a plain fact that a second corn crop in succession may now be taken anywhere on well cultivated land with the aid of a proper dressing of guano. There is nothing impossible, nothing even difficult in the matter. It is the cheapest and readiest mode in which a farmer can turn over his capital with advantage. It is not a system to be indefinitely prolonged, but it may undoubtedly be resorted to for a special object without detriment to any one. Now, what were the circumstances of last autumn and spring? We had rising prices, and were cut off from our main sources of foreign supply by war with Russia and bad crops in America. There was every conceivable motive to increase the breadth of wheat and an unusually favourable seed time. Landlords in general were pleased that their tenants, who had had hard times enough in the transition period, should have a chance at last. Tenants no doubt might be subject to penalties, but fancy the position of a landlord who, in a time of scarcity and high prices, should prosecute his tenants for growing too much corn! There was no need to break up more grass land, only to alter the proportions of the land under tillage to the demands of the market.

Nor would an alteration to the extent of one-fourth involve any such serious disproportion or disturbance in the system of management as men unaccustomed to the details of farming seem to imagine. It appears from the Agricultural Statistical Tables published last summer that in England and Wales (estimating the totals for the whole country in the same proportion as the 11 counties in which statistics were collected) there are 570,000 farmers, occupying on the average 64 acres each. Of these 64 acres 26 are under tillage, 20 in grass, meadow, and down, and 18 in houses, gardens, roads, fences, commons, plantations, and waste. Of the 26 acres under tillage there are 6½ acres of wheat, as the average extent for each farmer in England. Now the influence of high prices is universal. Every grower of wheat feels the same impulse to avail himself of the opportunity; and it seems no marvellous stretch to imagine that each man should lay an extra field to wheat. Two acres on the average would do more than make up the increased breadth claimed by me. This increase is not one-fortieth of the entire surface of England, and not even one-seventeenth part of the land which is regularly under tillage.

England enjoys a better climate for the production of wheat than Scotland or Ireland. Here, accordingly, it is grown in a much larger proportion than oats and barley. While the breadth of wheat in England is nearly equal to that of both oats and barley, in Ireland and Scotland it forms but one-



sixth of these grains. The soil and climate of England are thus shown to be very generally suitable for wheat, and I should therefore expect the increase in breadth to take place in England. But we have not ready comparative data by which the fact of such an increase may be shown. In Ireland, however, the statistical returns afford a comparison with previous years, and so far as they may be accepted as a guide, they justify my estimate. From 1849 to 1853, there was there an annually decreasing breadth of wheat following exactly a similar decrease in price, till at the lowest point in 1853 it had fallen to one-half the breadth sown in 1849. Then came a reaction nearly as sudden. The price of wheat, which at the previous seed time was only 32s. 2d., had risen in the autumn of 1853 to 69s. and the natural consequence was, an immediate great increase in the cultivation of this now remunerative crop, to such an extent, that in two years there was an addition of one-third of the breadth under wheat in Ireland. It may be that Irish farmers are more volatile than their English neighbours. My experience of the English farmers, as a class, is that they are like other people, and capable and willing to avail themselves of the favourable opportunity which a high price and good seed time placed within their reach. Is it to be believed that that which stimulates production in all other commodities—scarcity and high prices—is to be unfelt by them alone; or that a rise of 100 per cent. in price, without any increase in the charge for the raw material, or the cost of production, should not stimulate every effort to increase the supply?

I trust I have now made it evident that the opinion I ventured to give was not formed without due consideration. The excellence and general abundance of the potato crop, notwithstanding partial disease, will help to make up any deficiency of the inferior corns, and the potato crop still forms a large item in the national food. In Scotland the breadth of land under wheat and potatoes is nearly equal, while in Ireland the extent of potatoes is nearly double that of wheat.

But, while adhering to my previous estimate as to the produce of our own crops, there can be no doubt that prices are materially affected by the quantity said to have been exported to make good the defective harvests of our European neighbours. So much does this idea prevail, that it has been recommended at some of the late open-air meetings to prohibit the export of corn. I need not stop to argue the fallacy of such a remedy, even if the export had been far greater than it is. But I am enabled to show that the export of wheat is not a new trade, and, though it has increased considerably this year over last, it is a mere fraction of the whole consumption of the country, and, as will be seen from the figures subjoined, is much more than counterbalanced by the increased importation at the same period of this year. The total quantity of wheat and wheat flour, British and foreign, exported from the United Kingdom during the 10 weeks after harvest (12th of September to 11th of November) in each of the last two years is as follows:—

	1854. Qrs.	1855. Qrs.
	62,588.	117,983.
The total quantity imported in the same time was:—		
	1854. Qrs.	1855. Qrs.
	217,501	412,305
Deduct exports	62,588	117,983
Excess of imports	154,913	294,322

Thus, while the imports in both years greatly exceed the exports, it is peculiarly gratifying to find that, after all the noise that has been made about it, we have a balance of imports in favour of this season amounting to 139,409 quarters, which is considerably more than the whole quantity exported. Verily, there would be little wisdom in meddling with the principle of free trade, which has made us the *entrepot* of the world, and which brings us much more than it takes away.

The increased rate of freight from America by so much enhances the price of corn to a country like this, which always needs foreign supply. Though the imports into this country since last harvest are nearly double those of 1854, they still fall far short of 1852 and 1853. The last harvest in America has hardly begun to tell upon us yet, and other countries besides ourselves are also in that market; for it is not a deficient home crop, so much as a continental scarcity and increased cost of transit, that keeps up present prices. These are high enough to stimulate the enterprise of the merchant seeking supplies from abroad, while, to the mere speculator, a word of caution as to the possible hazard of his adventure may tend to lessen that ignorant competition which at times runs up prices far beyond their natural level. A steady market and high prices will bring out supplies from all quarters; but a market running up from week to week, with no new circumstance to account for it, leads sellers, both at home and abroad, to withhold supplies, in the fear of losing the highest figure, and thus adds an artificial to a natural scarcity. And as for the argument of economists, that high price checks consumption and is the natural and desirable concomitant of scarcity, that painful safeguard has been some time ago attained in the experience of every labourer's family in the kingdom, and there can be no doubt whatever that it will tell materially on the rate of consumption.

With all our government institutions, it is very unfortunate that not one of them can supply information so precise and reliable as to guide the country in its supply of food; but let us at least avail ourselves of such facts as we can get through their intervention. It is, indeed, objected to the *Gazette* returns of sales of British wheat (which I adduced in confirmation of my estimate of this crop) that greater diligence has been used this year than heretofore by the returning officers, and that reliance cannot, therefore, be placed on the returns as a criterion of comparison. On inquiry, I find that to some extent this is true, but it is believed that the addition forms no large proportion of the whole, and that it cannot be held to affect the result in a very material degree. The difference, whatever it may be, is most likely compensated by the improved circumstances of the farmer, which enable him this year to hold for a higher price. But granting that it has added 10 per cent. to the quantity returned, we shall find that even after making this large allowance, the sales confirm my estimate. The following are the deliveries of wheat from the farmers, by the *Gazette* returns, for the ten weeks (from the 15th of September to the 17th of November) after harvest, in each of the last four years:—

1852.	1853.	1854.	1855.
Qrs.	Qrs.	Qrs.	Qrs.
1,078,559	877,429	1,252,184	1,334,527

Now, after deducting 10 per cent. from the last return, we still find the deliveries of this year equal to last, one-fourth greater than 1853, and one-tenth greater than 1852, when wheat was selling at 38s. a quarter.

While the deliveries of our own wheat are this year equal to last, how

stands the foreign supply from the quarter we are most likely to get in America? The following is the account of shipments from the United States to this country in flour and wheat, calculated in quarters, for the months September and October:—

1854.	1854.
Qrs.	Qrs.
3,707	199,197

Looking to these facts, and the diminished consumption caused by high prices—while admitting the scarcity on the continent, and the partial failure in some localities at home—I would venture to advise the English farmer not to miss the present prices, but to sell as he gets his crop ready. He cannot be far wrong with 60s. to 90s. a quarter, and he has the market comparatively to himself at present. It is just possible that, by the months of May and June, America, which has already made a good beginning, may pour into our markets the surplus of an abundant crop, as she has done before, when prices were far less tempting than they are now.

JAMES CAIRD.

6, Sergeants' Inn, Temple, Nov. 20.

A writer in the *Daily News*, who refers at length to the theory and statistics of Mr. Caird, thus deals with his statements, and confidently asserts that they cannot be relied on.

SIR,—I have attentively read the letters written by Mr. Caird on the result of the late crop of wheat, and inserted in the *Times* newspaper, for which he is an accredited commissioner; and I think, in common with many persons well acquainted with the subject, that those letters contain fallacies which, if believed by those engaged in the corn trade, would be productive of serious mischief to the country, by preventing operations in that trade which our present condition imperatively calls for. Having some knowledge of the subject, I am induced to address you upon it, and to state a few facts which Mr. Caird either ignores or they have escaped his notice, but which must necessarily exercise considerable influence in the question of a supply of bread corn for the present season.

Before advertent to Mr. Caird's letters, the second of which firmly sustains the correctness of the first, I shall take a review of the history of the wheat trade for the last thirty years, a proper understanding of which will materially help us in coming to a just conclusion in regard to the requirements of the present season. Up to the year 1825 production and consumption went hand in hand—that is, the former, upon the average, met the latter, rendering an annual importation unnecessary. From that period however, the rapid increase of the population of the United Kingdom, and the improved condition of the operatives in every department of national industry, turned the scale in favour of consumption, and rendered necessary an annually increasing importation of foreign wheat. And as the population multiplies on the principle of compound interest, our demands upon other corn-growing countries for their surplus have increased in proportion notwithstanding the great improvements in agriculture, and the use of condensed manures, by which the produce of the country has been increased to the extent of one quarter per acre, making an aggregate of 4,000,000 quarters. The increase of the importations will be seen by the following statement taken from the Board of Trade returns for the eight years from 1847 to 1854 inclusive, or since the repeal of the corn laws:—

1847	...	...	...	...	...	...	4,464,757
1848	...	...	...	...	...	...	3,082,230
1849	...	...	...	...	...	...	4,802,475
1850	...	...	...	...	...	...	4,830,283
1851	...	...	...	...	...	...	5,330,412
1852	...	...	...	...	...	...	4,164,603
1853	...	...	...	...	...	...	6,235,860
1854	...	...	...	...	...	...	5,684,044

8)38,594,644

Average ... .. 4,824,330 qrs.

Thus we have an annual average of 4,824,330 quarters of wheat and wheat flour for eight years, and all consumed. It ought, however, to be stated that after September, 1854, the imports fell off, so that we received from that period, in the twelve months following, only from  $2\frac{1}{2}$  to 3 million quarters. This arose partly from the war, which deprived us of the supply from Southern Russia and the Danubian Principalities, and partly from the failure of the wheat crop in the United States, from which country very little wheat was exported last year.

I have now brought my account down to the harvest of 1854, when we reaped the heaviest crop of wheat that ever was produced in the United Kingdom. I estimate the produce of that year at 21 million quarters, being five millions more than the average, which I also take at 16 millions. In addition to this, the extra weight of wheat per bushel of that growth yielded an increased proportion of flour to the extent of 3lbs. per bushel, or 24lbs. per quarter, which will add another million to the produce of the year, making the actual produce equal to 22 million quarters. This was just sufficient to meet the consumption, reckoning the population at 28 millions, and allowing one sack of flour, or three bushels of wheat to each person.

Thus we stood at the end of September, 1854, in regard to the new crop. But owing to the large deficiency of the previous crop, and the difficulty of obtaining an adequate supply to meet it from abroad, we consumed in that year the stock of old wheat, amounting to five million quarters, which we usually have at harvest as a reserve, in case of a wet season or deficient crop. We were thus thrown at once upon the new crop, which fortunately proved sufficient for our wants, but not more; for it is notorious that what little old wheat was left at harvest, has been exhausted, and we are thrown again for the rest of the year upon the late crop, and what foreign wheat we may be able to obtain from abroad. It is to those two points that Mr. Caird's letters refer, and I shall, therefore, now direct the attention of the readers of your journal to his statements.

Mr. Caird maintains that the crop of the present year is an average one—whether of 14 million quarters as he estimates, or 16 millions as I do, is no matter—and he founds this opinion on, first, the result of his own crop; second, that of a district in Scotland with which he is acquainted; third, on certain returns in Messrs. Sturge's letters and the *Mark-lane Express*; fourth, on the fact that more wheat has been brought to market in a given period since harvest than in any former year; and fifth, the increased breadth of land under wheat last season.

With regard to Mr. Caird's own crop, I maintain that Mr. Caird being no common farmer, it is no criterion at all. After hearing from his own lips and pen that he has grown twenty-five tons of hay per acre, we consider it a very moderate affair, indeed, that the same land should, in a rather scarce

year, produce from 26 to 36 bushels of wheat per acre; I shall, therefore pass over this point with the simple remark that Mr. Caird farms too high for his crop to constitute a standard of produce for the country at large. With respect to the district in Scotland to which he refers as having this year produced more by four bushels per acre than last, I regret that Mr. Caird has not named the district, as it certainly forms an exception to any district I am acquainted with. I have heard of many instances of individual farmers, on heavy land farms, whose produce this year has been as good as last, but in no case has it been ascertained that a whole district has so much exceeded the extraordinary produce of 1854 as per 4 bushels per acre. I therefore wish Mr. Caird had named the district, that if a mistake had occurred it might be rectified. But even if true, it forms no criterion for the country at large. With respect to the reports of Messrs. Sturge and the *Mark-lane Express*, I would observe that they were made immediately after harvest, and although in some isolated cases the actual result has proved them to be correct, more especially on the heavy lands, the crops on the light soils are much more deficient than was then anticipated. If Mr. Caird will take the trouble to visit Mark-lane on a Monday or Friday, and examine the samples of wheat from Essex and Kent, he will soon be convinced that both the acreage and the weight per bushel of this year's wheat crop are not and cannot be of average amount and quality. If the reports referred to had been deferred to the present time or until the flail and machine had tested the actual yield, I feel persuaded that they would have been different. As it is, however, I am convinced that the crop is at least one-eighth deficient—say 2,000,000 quarters, according to my estimate or 1,750,000, admitting Mr. Caird's estimate, which reduces it in the one case to a produce of 14,000,000, and in the other to 12,000,000. To strengthen his argument, Mr. Caird makes the extra breadth sown last season amount to one-fourth, or an acreage of 1,000,000, and an extra produce of 3,500,000 quarters, thus bringing the year's produce to 12,000,000, being within half a million of the actual consumption, according to his estimate. If Mr. Caird's view of the case were correct, we should not only not want any supply this season from abroad, but should have a few million quarters to spare for our neighbours, as I shall presently show. For he estimates that the consumption will fall off in consequence of the high price. If we take this at one-eighth, or 2½ millions, it would, without any importation, leave us a surplus of 1½ millions, as follows:—

					Quarters.
Average crop ...	...	...	...	...	14,000,000
Extra breadth	...	...	...	...	3,500,000
					<hr/> 17,500,000 <hr/>
Average consumption	...	...	...	...	18,000,000
Falling-off, ½ ...	...	...	...	...	2,250,000
					<hr/> 15,750,000 <hr/>
Surplus over consumption	...	...	...	...	<hr/> 1,750,000 <hr/>

But this is not all. Where Mr. Caird has been living the last ten years I do not know, but he must have shut his eyes to what is passing in the corn trade at least. For instance, I suppose we may reckon that the eight years from 1847 have yielded an average produce, and that the deficiencies

of one year have been made good by the abundance of another. Now, during that period, we imported upwards of 38,000,000 of quarters of wheat. But upon Mr. Caird's estimate of a produce of 14,000,000, and a consumption of 18,000,000, our condition at the present time would be as follows :—

				Quarters.
Eight year's produce	...	...	...	112,000,000
Ditto imports	...	...	...	38,594,694
				<hr/>
				150,594,694
Eight years' consumption	...	...	...	144,000,000
				<hr/>
Supposed surplus on hand	...	...	...	6,594,694
				<hr/>

I have stated this just to show the intrinsic value of Mr. Caird's figures. The fact, however, is notorious, that the whole of the imported wheat, with the exception of a small quantity re-exported, has been consumed; and not only so, but we have, in 1853-4, consumed four million quarters of our reserve stock of native wheat, beside one-and-a-half million quarters of Indian corn per annum as a substitute for bread corn; which two items add seventeen millions to the thirty-eight millions of foreign wheat consumed in the United Kingdom in eight years, making an aggregate of fifty-five millions of breadstuffs consumed over and above the average annual produce.

With respect to the increased quantity brought to market in the ten weeks from the 15th September to the 17th November, it affords no clue whatever to the goodness of the crop. Many farmers we know have threshed out their whole crops of wheat; but even the correctness of the *Gazette* returns cannot be depended upon. The authorities found them so very deficient that they issued more stringent orders on the subject, and the consequence was a more full and ample return. This alone accounts for the increased quantity reported as sold, without assuming a larger yield per acre.

Having thus disposed of Mr. Caird's arguments, allow me to say a few words about the future prospect in regard to a foreign supply. Last year was one of abundance in respect to our own crop; yet we consumed in addition two-and-a-half to three millions of foreign wheat between the two harvests. This season we have, on Mr. Caird's own showing, barely an average crop; yet he says we shall want only one million quarters. In eight years we consumed nearly five million quarters per annum, which simple and unequivocal fact sets at nought the whole of Mr. Caird's theory. Prices were as high last year as they have been this, yet the consumption did not fall off so as to prelude the necessity of an importation of three millions. What, in fact, would have been our condition now if that importation had not taken place? This year, therefore, I estimate that we shall want an importation of from five to six millions quarters, and if we do not get that quantity prices must rule still higher than at present.

I am, &c., VERITAS.

London, Nov. 24.

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#### MERCANTILE SUSPENSIONS.

**N**OTWITHSTANDING the pressure experienced in the money market, there has been great freedom from commercial embarrassment. Indeed, this is the principal feature of the present crisis, and one that exercises an

influential effect upon the general state of trade. With the exception of one firm, there has been no failure of consequence in London, while those which have occurred in the provinces are the result of wild and hazardous speculation. They stand in order as follows :—

Lewis Reis and Co., London, Spanish and Sicilian trade.

The Toll End Furnaces, Birmingham, iron trade.

E. V. Blyth and Co., Birmingham, nail trade.

Goddard Brothers, Birmingham, iron trade.

In all these cases, the assets will realise but trifling dividends, and there can be no question that the whole of the houses have traded far beyond their means.

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## **Banking and Commercial Law.**

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### **ON THE LEGAL EFFECT OF ALTERING BILLS OF EXCHANGE, PROMISSORY NOTES, AND CHEQUES.**

THOSE who have experience in commercial and banking transactions, are generally aware that a bill, note, or cheque, which appears to have been altered, is so far objectionable as to induce them to refuse it where they have any choice. Nevertheless, the most cautious persons may find themselves possessed of such a document, and will feel anxious to understand their position. Those who have not much experience, may assent to alterations apparently immaterial or beneficial, from which they may yet be sufferers. We propose, therefore, in this paper to present a view of the law affecting this important question.

The objection to an altered document, is well founded, even where its validity is not affected, because, in the course of legal proceedings, the burden of proving the alteration to be of no prejudice, is thrown on the party propounding the instrument. "This rule," says Byles, "is most reasonable; for, if it lay on the defendant, on an acceptor for example, sued by an indorsee to show that the alteration was improperly made, it might be a great hardship; for he may have no means of proving that the bill went unaltered from his hands, or of showing the circumstances of a subsequent alteration. But the burden of explaining an alteration imposes no hardship on the plaintiff, for if the bill was altered while in his hands, he may and ought to account for it; if before, then he took it with a mark of suspicion on its face, which ought to have induced him either to refuse it, or to require evidence of the circumstances under which the alteration was made."

An alteration does not destroy a bill, note, or cheque, when the alteration is made before the document is issued, or when it is the mere correction of a mistake. The chief authorities

in support of these positions are — *Kennerly v. Nash*, 1 Starkie 452; *Downes v. Richardson*, 5 Barnewell and Alderson, 674; and *Byron v. Thompson*, 11 Adolphus and Ellis, 31.

Any material alteration made after the bill, note or cheque is issued, and not being the mere correction of a mistake, destroys the validity of the document. Recently it has been decided that the addition of a place of payment to a bill of exchange destroyed it. *Burchfield v. Moore*, 23 Law Journal, (Queen's Bench), 261. Also that if the alteration be beneficial and not prejudicial to the objecting party, the effect is still fatal. This principle was maintained in a case where an additional name was put to a joint and several promissory note after it had been completed. *Lord Campbell* there said:—"The defendant is discharged from his liability, if the altered instrument, supposing it to be genuine, would operate differently from the original instrument, whether the alteration be or be not to his prejudice. This principle which in *Pigot's* case was established with respect to deeds, was applied to negotiable instruments in *Master v. Miller*; and, as far as we are aware, it has with one exception been uniformly acted upon down to the recent case of *Burchfield v. Moore*. The exception is *Calton v. Simpson*. That case certainly does very nearly resemble the present. The defendant had, as surety, signed a joint and several promissory note with the principal debtor, having no reason to suppose that any one else was to sign it. Afterwards the payee, without the knowledge of the defendant, induced another person to sign it, with a view to strengthen the security; and the court held that the defendant was still liable upon it. But the decision took place merely as refusing a rule to show cause why there should not be a new trial. It seems to have proceeded on the ground, that as the new surety could not be liable on the note by reason of the stamp laws, the alteration operated nothing, although the counsel urged that 'a note with an altered date does not bind any one to the new contract, yet the old contract is void.' The judgment of the Court was, without further reasons, in these words:—"In the absence of all authority, we shall hold that this was not an alteration of the note, but merely an addition, which had no effect." With sincere respect for the learned judges who concurred in this decision, we feel bound to say that, in our opinion, it is contrary to the authorities, and that it is not law."—*Gardner v. Walsh*, 24 Law Journal (Queen's Bench), 285.

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## Legal Miscellany.

*Lord Mayor's Court, Nov. 24.—Before the Recorder.*

### ATTACHMENT ON THE EFFECTS OF FRENCH BANKERS.

THIS was an action arising out of an attachment issued by this court. Robinson appeared for the approvers, and Mr. Locke for the plaintiff.

The defendants were Messrs. Leroy de Chabrol and Co., bankers who became bankrupts in 1854. The plaintiff Mr. Catrigue, one of the creditors, ascertaining that some moneys belonging to the defendants were in the hands of Mr. Lennard, a bill broker in the city, attached the amount, when Fennerman and others, the approvers, who were the assignees under the estate, appeared as claimants of the money, averring that the defendants had become bankrupts, they had no title to the sum, and it belonged to the estate.

M. Pinta, a French law agent, was examined as to the French law (Napoleon) in cases of bankruptcy; and it appeared that the proper parties declared bankrupts was vested in syndics or assignees, similar to the practice in England. Copies of the adjudication in bankruptcy of the defendants were put in, and the witness deposed to the seals of the department of the Ministry of Justice being attached to them.

Mr. Locke addressed the jury for the plaintiff, and submitted that there was no proof that the estate continued vested in the hands of the assignees.

M. Ledru Rollin, the French advocate, was also examined as to French bankruptcy laws. He addressed the court at some length from the French counsel bar. He explained that a person had no control over his property on being pronounced a bankrupt, and went on to state that it ought to be shown by the approvers that no "concordat" had been issued, and in the absence of that evidence, it might be assumed that one had been issued which would in effect be similar to superseding the bankruptcy, investing the estate.

Mr. Robinson replied. He admitted the learning and ability of M. Ledru Rollin and suggested that a political life would not always give one an opportunity of ascertaining matters of peculiar legal distinction.

The recorder summed up and asked the jury to say whether the property continued vested in the syndics. If they should be of that opinion as the defendant could not sue for the recovery of the sum, it might not be said to belong to him, but to the assignees; and if they should be of that conclusion, then their verdict would be for the approvers.

The jury returned the verdict for the approvers.

## Reports of Joint-Stock Banks.

### BANK OF VICTORIA.

THE following is the fifth half-yearly report of this bank presented to the directors to the shareholders in Melbourne, on the 7th August, when the dividend at the rate of 10 per cent. was declared. The report was adopted at the vacancies in the direction supplied from the candidates who presented themselves:—

"The board of management have much pleasure in submitting to the proprietors of the bank, a more favourable report than the one presented

last half-yearly general meeting. As anticipated on that occasion, many of the temporary difficulties that impeded the operations of the bank have been removed, and the progress made during the past half-year has been very satisfactory. A large and remunerative business has been transacted, especially at the branches in the gold fields, where very general support has been given to the Bank of Victoria. The new code of escort regulations has been found of a less harassing nature than the old, and, thus encouraged, the bank has been enabled to contend with the expense and risks incidental to the transaction of banking business in the interior. Communications have been received from many of the new gold fields and other places, recommending the establishment of branches in their respective localities; but the board have for the present deemed it expedient to postpone the extension of the business of the establishment, except to Maryborough, where a branch was opened on the 17th day of June last.

The management of the five branches at the gold fields, as well as those at Geelong and Belfast, has been such as to merit the approval of the board, and the assistant manager of the bank has periodically inspected those establishments, when reports of a favourable nature have been received from that officer. The amount recovered from the Ballarat robbery to 30th June is now ascertained, being £8,142 19s. 5d., and in excess of the estimated loss by the sum of £497 18s. 5d. By advices from our correspondents, the London and Westminster Bank, since received, it appears that a further sum of £2,257 6s. 3d. has been at the credit of this bank with them since the 9th day of April last, being the amount found in the possession of the robber (Garrett) on his capture by the London police; this man, as the proprietors are doubtless aware, is now in custody in Melbourne, and will in all probability be brought to trial at the next criminal sessions. Towards the end of the half-year a demand arose for the shares of this bank, and there can be little doubt that when it is considered advisable to dispose of the remaining stock, sales will be effected with great facility.

Annexed to this report will be found the half-yearly balance-sheet, certified by the auditors, and now submitted for approval, and from which the proprietors will see that the present position of the bank is perfectly solid. The net profit realised during the half-year amounts to £29,657 10s. 7d., which sum it is proposed to divide as follows, viz. :—

To dividend at the rate of 10 per cent.	...	...	£12,378	0	0
Reserve fund	...	...	...	16,878	12 10
Balance to profit and loss	...	...	...	400	17 9
					<hr/>
					£29,657 10 7
					<hr/>

The dividends to be payable here, on and after to-morrow, and at the branches and in London on receipt of advice.

(Signed) HENRY MILLER, *Chairman.*  
(Signed) J. MATHESON, *General Manager.*

Melbourne, 7th August, 1855."

MINUTES.

The half-yearly general meeting of the proprietors of the bank having been convened for Tuesday, the 7th day of August, at noon, the chairman read the advertisement calling the meeting, and afterwards the foregoing report of the board of management.

It was moved by Major Davidson, and seconded by David Ogilvy, Esq.—

I. "That the report of the board of management now read be received and

adopted, and that the same be printed and circulated among the proprietors." (Carried unanimously.)

It was moved by R. W. Pohlman, Esq., and seconded by Dr. Clutterbuck—

II. "That the thanks of the meeting are due to the chairman and board of management for the satisfactory manner in which the bank has been conducted for the past half-year." (Carried unanimously).

Agreeably to notice, J. D. Pinnock, Esq., brought forward a notice to the effect—"That shareholders absent from the colony may be represented at all meetings, and their votes made use of by their legally constituted agents;" which, after considerable discussion, was lost by a large majority.

E. B. Wight, Esq. (having withdrawn his name from the list of candidates for the approaching election of directors), and William Hull, Esq., J.P., were elected auditors for the ensuing year.

After the usual business of the meeting was completed, R. W. Pohlman, Esq., gave notice of a motion for the next half-yearly meeting in February, 1856:—

"That the directors, at the next half-yearly meeting, be requested to present the clerks of the bank with a bonus of ten per cent. on their respective salaries."

(Signed)

J. MATHESON, General Manager.

*Result of the Ballot for the three Vacancies in the Direction.*

William Highett, Esq.	...	...	...	...	231
William H. Tuckett, Esq.,	...	...	...	...	199
J. P. Bear, Esq.	...	...	...	...	177
C. J. Griffith, Esq.	...	...	...	...	162

T. WINTER, }  
D. OGILVY, } *Scrutineers.*

*Bank of Victoria, June 30th, 1855.*

<i>Dr.</i>					
To Proprietors' capital	...	...	...	...	£247,560 0 0
Notes in circulation	...	...	...	...	390,015 10 0
Deposits	...	...	...	...	784,136 9 11
Bills payable	...	...	...	...	14,417 3 10
Due to other banks	...	...	...	...	83,987 12 3
Reserve fund	...	...	£80,121	7 2	
Profit and loss	...	...	35,571	10 7	
					115,692 17 9
Insurance account	...	...	...	...	10,380 0 0
Contingency ditto	...	...	...	...	4,755 9 3
					£1,650,945 3 0
<i>Cr.</i>					
By gold, silver and other metals	...	...	...	...	£538,494 12 2
Due from other banks	...	...	...	...	135,706 17 3
Bank furniture and stationery	...	...	...	...	9,739 13 10
Bills receivable and other advances	...	...	...	...	819,897 8 3
Government account	...	...	...	...	127,186 8 1
Preliminary expenses	...	...	...	...	4,295 2 8
Policies of insurance	...	...	...	...	1,926 17 6
Landed property	...	...	...	...	13,698 3 3
					£1,650,945 3 0

<i>Dr.</i>		<i>Profit and Loss.</i>	
To current expenses head office and seven branches, including rent and stationery ... ..		£17,023	7 8
Cover all bad and doubtful debts, and contingencies...		5,000	0 0
Preliminary expenses and bank furniture ... ..		914	0 0
Balance ... ..		29,657	10 7
		<u>£52,594 18 3</u>	
<i>Cr.</i>			
By Balance from 30th December, 1854 ... ..		£85	18 7
Overplus to Ballaarat robbery after payment of 10s. in the pound ... ..		497	18 5
Gross profit for half-year ... ..		52,011	1 3
		<u>£52,594 18 3</u>	
<i>Dr.</i>			
To dividend account, 10 per cent. ... ..		£12,378	0 0
Reserve fund ... ..		16,878	12 10
Balance ... ..		400	17 9
		<u>£29,657 10 7</u>	
<i>Cr.</i>			
By balance brought down ... ..		£29,657	10 7
		<u>£29,657 10 7</u>	
<i>Dr.</i>		<i>Reserve Fund.</i>	
To balance ... ..		£97,000	0 0
<i>Cr.</i>			
By balance from 30th December, 1854 ... ..		£80,121	7 2
Transfer from profit and loss ... ..		16,878	12 10
		<u>£97,000 0 0</u>	

We hereby certify that we have examined the accounts of the Bank of Victoria for the half-year ending 30th June, 1855, and that we have counted the cash balance, and examined the bills and other securities held by the bank, and that the above balance sheet is correct.

W. LANE, } *Auditors.*  
WILLIAM HULL, }

Certified before me this 19th day of July, 1855,—W. B. NOEL, J.P.

#### KNARESBOROUGH AND CLARO BANKING COMPANY.

THE annual general meeting of the shareholders in the Knaresborough and Claro Banking Company was held at Knaresborough, on Wednesday, Nov. 14th. Out of the profits of the year, a dividend of 10 per cent., free of income-tax, was declared, and the balance, amounting to £2,110 2s. 5d., was carried to the credit of the reserved fund, which now amounts to £7,568 19s. The sum of £175 was voted to the directors, as a slight acknowledgment of their services.

**THE CITY BANK.**

The following statements referring to the position of the City Bank, have appeared in the *London Gazette*, showing the progress of this establishment since the commencement of business :—

*Liabilities, 31st August, 1855.*

To capital paid up	...	...	...	...	£150,000	0	0
Amount due on current and other accounts	...	...	...	...	108,901	15	6
					<b>£258,901</b>	<b>15</b>	<b>6</b>

*Assets, 31st August, 1855.*

By Exchequer Bills and India bonds	...	...	...	£ 58,555	10	6
Bills discounted, loans, building, preliminary expenses, and cash in hand	...	...	...	200,346	5	0
				£258,901	15	6

*Liabilities, 29th September, 1855.*

To capital paid up	...	...	...	...	£150,000	0	0
Amount due on current and other accounts	...	...	...	...	170,803	6	3
					<b>£320,803</b>	<b>6</b>	<b>3</b>

*Assets 29th September, 1855.*

By Exchequer bills and India bonds	...	...	...	£ 58,555	10	6
Bills discounted, loans, building, preliminary expenses, and cash in hand, &c.	...	...	...	262,247	15	9
				<b>£320,803</b>	<b>6</b>	<b>3</b>

*Liabilities, 31st October, 1855.*

To capital paid up	...	...	...	...	£150,000	0	0
Amount due on current and other accounts	...	...	...	...	291,392	8	9
					<b>£441,392</b>	<b>8</b>	<b>9</b>

*Assets, 31st October, 1855.*

By Exchequer bills and India bonds	...	...	...	£ 58,219	10	6
Bills discounted, loans, building, and preliminary ex- penses, cash in hand, &c.	...	...	...	383,172	18	3
				<hr/>		
				£441,392	8	9

**LONDON AND PARIS JOINT-STOCK BANK.**

THE arrangements which have been in progress for the establishment of this bank have now been definitively concluded, and the directors have advertised their prospectus. From the names which appear, both in connection with the London and Paris management, there is good reason to believe that its business will be conducted with prudence and economy. In these days of competition it will, however, require great discretion in opening banking intercourse between the two countries; for, whatever may be the amount of trade it will not prevent loss and disaster, if judgment is not exercised

in the selection of customers, and a vigilant supervision exercised in respect to the transactions into which they may enter. The system of joint-stock banking, as at present conducted in this metropolis, is almost wholly unknown in the French capital; but when it has been developed, it will no doubt be appreciated. The capital required is stated at £600,000, in 6,000 shares of £100 each, of which £10 will have to be paid in the shape of a deposit, and £40 when an act of incorporation shall have been obtained. With sound practical talent in the direction, capable managers, and an efficient staff, there is a wide field for a profitable and increasing business. Mr. James Knight, who has organised the whole of the preliminaries, has received the appointment of general manager, and operations will be commenced immediately the shares are allotted and the requisite amount of capital is subscribed.

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#### NORTH OF SCOTLAND BANKING COMPANY.

THE nineteenth annual general meeting of this bank was held in the banking-house, on Friday, the 2nd November, 1855, Mr. T. Blakie in the chair, when the following report was adopted:—

“The directors have to report to the shareholders that the affairs of the bank continue to progress satisfactorily. At the last annual meeting the following recommendation of the directors was brought forward and approved of:—‘As the paid-up capital of the bank approaches so nearly to £200,000, (being £192,050), the directors are of opinion that it would be an advantage to bring it up to that even sum, and keep it fixed there, which may be done by giving off at the market price, as opportunities offer, the 3,180 shares necessary to produce the additional £7,950 of capital.’ In terms of that resolution, the directors have disposed of the whole of these shares, for the most part at the price of £4 14s. 3d. (the average price of shares sold in the market during the year having been £4 11s.), and the premiums derived from this source, which amount to £8,835 15s. 3d., have been carried to the new reserved fund. As contemplated by this measure, the paid-up capital now stands at £200,000. The free business profits of last year, after providing for all bad and doubtful debts, and independent of the premiums on shares above referred to, amount to £30,209 15s. 11d., being about £3,000 greater than the profits of the previous year. These profits the directors have appropriated in the following manner. In the first place they have applied £7,704 14s. for the dividend of 4 per cent., paid for the first half of the year on £192,617 10s., the paid-up capital on 31st March last, and they are also to pay a dividend of 4 per cent. for the past half-year on the paid-up capital of £200,000, which takes £8,000, and a bonus of 2 per cent., which requires £4,000. These payments are all to be made free of income-tax, and give a return to the partners for the year of 10 per cent. on the capital stock, without any deduction. As it was agreed at last annual meeting that the cost of the banking-house property should be gradually written off, the sum of £2,043 7s. has been applied towards its reduction, and it will now stand at £10,000. A supply of company’s bank notes was obtained last year, the cost and stamps of which, £416 13s. 4d., are entirely cleared off. The sum of £356 1s. 8d. has to be deducted from the profits for income-tax, paid independent of the tax paid on investments. The directors have carried to the new reserved fund, out of the business profits, the sum of £6,164 4s. 9d., which, with the premiums realised from the shares sold last year, and the £7,000 previously standing at that fund, brings it to £20,000, and they have invested this money in Three per Cent. Consols in a distinct account. The balance of the business profits, which amounts to £1,524 15s. 2d.,

has been carried forward to the profit and loss account of the year now commenced. It will be seen from these appropriations that the prosperity of the by-gone year has enabled the directors to improve materially the position of the bank, and they have only farther to observe, that they believe the business of the establishment to be in a healthy condition. The board is of opinion that, as a considerable amount of time and labour is devoted by the directors to the affairs of the bank, a sum of £400 should be placed at their disposal yearly, in remuneration of their services. Annexed is a statement of the assets and liabilities, and of the appropriation of the profits."

## LIABILITIES.

Paid-up capital, £2 10s. per share on 80,000 shares	...	£200,000	0	0
New reserved fund.—Last year	... .. £7,000	0	0	
Premiums on shares sold	... .. 6,835	15	3	
		13,835	15	3
Due by the bank on current accounts and deposit receipts		1,180,908	14	4
Circulation	... ..	208,550	0	0
		1,603,294	9	7
Surplus profit, being the actual business profit for the year	... ..	30,209	15	11
		£1,633,504	5	6

## ASSETS.

Investments in Government and other securities, loans on cash credits and bills discounted, &c., balances with other banks, gold and silver coin, and notes of other banks ...	£1,613,756	4	6
Banking houses at Aberdeen, Banff, Huntly, Inverury, Stonehaven, and Aboyne ...	12,043	7	0
Dividend paid last May ...	7,704	14	0
	£1,633,504	5	6

*Appropriation of the Profit.*

Dividend on paid-up capital for half-year ending 31st March last, 4 per cent., already paid ...	£7,704	14	0
For half-year ending 29th September last, 4 per cent. ...	8,000	0	0
Bonus 2 per cent. ...	4,000	0	0
Banking houses, to further account of prime cost ...	2,043	7	0
Cost and stamps of supply of company's bank notes ...	416	13	4
Income-tax, for preceding year, in addition to tax paid on investment interests ...	356	1	8
New reserved fund (which added to premiums on shares sold, and sum placed to fund last year now brings it to £20,000) ...	6,164	4	9
Balance to profit and loss, new account ...	1,524	15	2
	£30,209	15	11

## Communications.

*To the Editor of the Bankers' Magazine.*

### THE BANK CHARTER ACT.

SIR,—I enclose copy of a letter sent to *The Times*, but not inserted in that paper; if you think it worthy, please insert it.

Yours, &c.

J. M. T.

As stated in your City article of the 26th, "An outcry against the Bank Charter Act is an inevitable accompaniment of financial pressure," and must remain so at such times; so long as the terms of the present charter are continued. If the doctrine of Sir Robert Peel was "That no currency could be considered perfect, which would not at all times, and under all circumstances, maintain the same intrinsic value;" the act of 1844 has most signally failed to produce it, for under that charter, the Bank of England has been lending £100 at one time for £2 10s. or £3; and at others charge the hitherto unprecedented sum of £7 and £8; and yet some people argue the intrinsic value is the same, although, whilst measuring itself against itself, it shows a variation of 300 per cent.; most people consider the intrinsic value of an article the price it will fetch, and a large majority of the persons who make contracts throughout the kingdom, do not know even the legal value of one ounce of gold. No doubt it is an advantage to the foreign merchant always to be able to procure gold at a fixed price, but that advantage should not be given at such a cost to our home trade; let the foreign merchant buy gold at its market price. It is said, "Practically, however, there is no fiction in the case, and it is capable of demonstration, that, under no conceivable circumstances, so long as the act of 1844 is in operation, could the supply of gold at the Bank fall short of the demand." In the face of 1847, the Bank only holding £1,600,000, and the bankers' balances being over £2,000,000, I call on the writer of the above to demonstrate, not only that it is not possible, but that it was not probable the Bank should fall short of gold. I do not recollect having ever seen any reason assigned, why £22,000,000 should have been fixed upon as the limit of circulation; now, it is said, "experience seemed to show." Most persons allow that the circulation of 1844 was not excessive, and that was £28,000,000 or £29,000,000, the circulation never having been anything like £22,000,000 during the present century.

There is but little doubt most persons opposed to the present system, agree on the desirability of a national paper; perhaps there may be as many opinions on minor details, as there are amongst the supporters of the present system.

"That a re-discussion of the whole question in Parliament, cannot be arranged too soon," seems the opinion of both parties, when it is to be hoped both branches of the legislature will arrive at the same conclusion, and not an opposite one, as at the last.

It is said, "The Government are open to serious reproach, for not having filled up the deficiencies in the country circulation, amounting to £700,000." The Government cannot be open to any reproach on this ground; they having no power to move, until applied to by the Bank of England.

It is quite true the act was not violated in 1847, but most assuredly its operations were suspended; which caused immediate relief, otherwise, in all probability the Bank itself would have been compelled to suspend; had



not the representations of the bankers been attended to, it is very likely they would have put it to the test.

In dealing with the public, it is chiefly irrationality that requires legislation; if all were rational, the country would do very well without acts of Parliament; no rational person, for instance, would murder another, therefore, all laws on that subject, are unnecessary; if an act of Parliament cannot stand the test of difficult times, it is of little use, as in smooth times its provisions are not required; had not Sir Robert Peel compelled the publication of accounts, the "insane terror" could not have manifested itself.

If this act be set aside, the amount of the circulation need not, thenceforth, be left to the wisdom of the Government, or some other individual body, if the Government will issue to the public a legal tender on securities or discounts, at a reasonable rate of interest, the State may gain a considerable revenue, the notes being payable in liquidation of debts, and payments to Government could not go to a discount, and the public having to pay interest, would not take more than was necessary, and for settling our foreign accounts, goods might be taken, or gold at its market price.

If the amount fixed in 1844 was sufficient, then, surely, with our increased population, trade, and commerce, we must now require an increase.

I am, sir,

J. M. T.

*Lincoln, 30th October, 1855.*

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#### OUR GRAIN SUPPLIES.

SIR,—I am surprised to notice in your October number that you think Great Britain will require less wheat than France

Now, in the year ending the 1st of August, 1854, we imported of wheat and flour the immense quantity of 6,680,000 qrs., and in the year ending 1st August, 1855, 2,800,000 qrs., and in the last year we had one of the greatest crops ever grown in England, nearly the whole of which is consumed; and any one acquainted with the trade will tell you that the stocks held in London, Liverpool, Hull, &c., are not a fourth of what they were this time last year.

If, as many on your side believe, the last crop is one quarter per acre short of the great one before, you will require 4,000,000 quarters in addition to the 2,800,000 as above, and even at three-fourths of a quarter less, our requirements will be great in addition to the wants of France, Holland and Belgium—not very cheering this to the moneyed interest. In this city and all our Irish outports, next to no stock is held, every one fearing to embark at such high prices, which I hear is also the case in Liverpool. In fact, our present position is not from speculation, but the direct contrary, the want of it, the consequence whereof we may hereafter feel. I am not interested in Corn or Consols, but was at one time in the former.

I am truly, sir, your most obedient servant,

J. BROWN.

I think every quarter of wheat imported into France and this country will cost on landing, something like 80s.; with the the two countries in the market, if the Americans do not lay on heavily, I much mistake my men.

*Dublin, October, 1855.*

[We thank our correspondent for his letter: since that article was written, circumstances have transpired which show that the deficiency in the grain crops of England and France are larger than was at first anticipated. Prices will, consequently, be supported at a high point, notwithstanding the supplies looked for from America. *Ed. B. M.*]

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## Notes of the Month.

**DISCLOSURES AS TO BILL DISCOUNTING.**—A bankrupt painter and glazier, named James Boothman, of Ashton-under-Lyne, was recently brought up for examination at the Manchester District Court of Bankruptcy. It was stated that his debts amounted to £6,559, and his assets had been stated at £17. Mr. Joseph Entwisle, a bill discounter, who had cashed bills for the bankrupt, was examined, after his attorney had vainly attempted to obtain the exclusion of the press, and said, he had discounted a bill for the bankrupt on the 15th of August, 1854. It was witness's own draught upon him at three months for £50. He gave him £40, retaining £10 as discount. On the 14th of November it was renewed by a bill for £57. Not being paid at maturity, that bill was again renewed by one for £50 at three months, upon which witness received £10 cash for commission. That bill was dishonoured. The rate of interest on the whole transaction was 40 per cent. per annum. His whole transactions with Boothman would be for about £1,600, and he was now a creditor for something under £300. He held two bills of the bankrupt's—one for £250, and the other for £325. The last bill was given as an additional security for the first, for three months, with the understanding that it should be renewed without additional charge for discount. He did not mind admitting that his average charges for discounts had been £50 per cent. The last item in his account was discounting a bill for the bankrupt, amounting to £350, at 21 days, and the bankrupt made him an offer of £40, which he accepted. He would not swear that this was not more than £600 per cent. per annum; but this was a matter of contract. All his business was a matter of contract between borrower and lender, and he did not charge any rate of discount. In a re-examination the bankrupt stated that he had been in Lancaster Castle as an insolvent, but in his schedule he did not insert Mr. Entwisle's debt, Mr. Entwisle having said that he would wait any time for the money. The case was adjourned *sine die*, with protection for three months, to enable the bankrupt to produce a more satisfactory balance-sheet.

**ECUADOR DEBT.**—The Ecuadorian Commissioner has given notice to the holders of Colombian Bonds that the conversion of 21½ per cent. of the said bonds into bonds representing the Foreign Debt of Ecuador, in conformity with the late agreement, will be commenced on the 26th instant.

**MERCANTILE FORGERIES.**—It was recently mentioned that an exaggerated report had been circulated respecting losses supposed to have been sustained by Messrs. Lubbock and Co., through their discounting some forged acceptances for a Mr. Marcellino de Allo. It now appears that the forgeries, which were of comparatively small amount, were committed by a person in the confidence of Mr. Allo, and that the name of the latter was made use of in the correspondence with Messrs. Lubbock during his absence from England, and without any knowledge or privity on his part. The real culprit went to the United States a few days after the last bill was discounted.

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### BANK MOVEMENTS.

THE governor and directors of the Bank of Scotland have established a separate and independent branch of the Bank in Laurieston, for the convenience of the great and growing population in the southern division of the city, and they have appointed Mr. James Gourlay to the office of manager.

THE old established business of Stoney Thomas Banking Company, at Shaftesbury and Gillingham, has been disposed of to the Wilts and Dorset Banking Company. Mr. George Phillip, cashier to the late firm, is appointed manager at Shaftesbury, and Mr. Neave conducts the Gillingham agency.

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## Reviews.

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*Currency, Self-Regulating and Elastic; in a Letter to His Grace the Duke of Argyll. With Introductory Chapter on the Nature of Capital and Money.* Longman, Brown, and Co., Paternoster-row.

THE author, who is evidently well informed, has presented a volume which is worthy of attentive perusal. He has brought together a vast quantity of useful facts which he has skilfully used to demonstrate his own theory. Being a strong opponent of the Bank Charter Act, the panics of 1825 and 1854 afford him full opportunity of investigating the working of the measure, and he arrives at the conclusion that it is a positive evil. To correct the evils which he has discovered, he proposes a plan for the substitution of a National Bank, and believes that if it were carried out with full integrity there would not be a recurrence of the disaster and inconvenience experienced within the last ten years.

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*New and Comprehensive Grammar and Dictionary of the English Language, as spoken and written.* By HYDE CLARKE, D.C.L. J. W. Parker, High Holborn.

IN this double volume Mr. Hyde Clarke has exhibited his erudition, and will increase the reputation he already enjoys as a sound thinker and practical grammarian. The views expressed are not clouded in dogmatic language, but are so prominently presented, that they seem well adapted for the intended purposes, viz., self-teaching and schools. With the works in their possession, the most uneducated could not fail to make progress, the full explanations and the arrangement conducing to render available to all classes of students, whether juvenile or adult.

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*Stock Transactions.* By A. MADDERS. Groombridge and Sons, Paternoster-row, and Muskett, Norwich.

THE author properly describes his book as a practical guide to bankers, solicitors, provincial sharebrokers, and other persons who may have occasion to transact business in Government and other securities; and it really supplies a vast deal of useful information on the subjects treated. He has attempted to furnish the histories of the various debts, or the terms on which loans and other operations have been concluded, because they are all fully described in other standard works.

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*Tables of Profit, Discount, Commission, and Interest.* By ANDREW FERGUSON, Accountant. Effingham Wilson, Royal Exchange.

EVERY valuable publication, simplifying the usual complex methods of arriving at the results of investments, adventures, and other essential calculations. A great saving of time and figures will be ensured by following the rules so clearly pointed out.

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## BANKING OBITUARY.

On the 11th November, at his residence, 51, Cumming-street, Peckham, Mr. William Millachip, of the Branch Bank's Office, Bank of England, aged 47.

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## MONTHLY CHRONOLOGY.

November 2.—Announcement made of the failure of Messrs. Lewis Reis, and Co., in the oil and fruit trade of Spain and Sicily, their liabilities being estimated at about £200,000.

5.—News received that on the 27th ult. General d'Allonville advanced with a large force from Eupatoria to Simpheropol, as far as the Ravine of Tchobater, where he found the Russians had firmly established themselves on the opposite side, but not being able to induce them to accept an engagement, he returned to Eupatoria, chiefly in consequence of being unable to obtain a sufficient supply of water and forage.

12.—The proprietors of the Toll End Furnaces, Birmingham, announced their suspension, with liabilities to the amount of £38,000.

Messrs. E. V. Blyth and Co., in the nail trade at Birmingham, seek the protection of the Private Arrangement Act, in consequence of the individual losses sustained by the principal partner.

18.—Intimation received of the acceptance by General Sir W. Codrington of the chief command of the British forces in the Crimea, in consequence of the resignation of General Simpson.

16.—Intelligence received of a great victory obtained by Omar Pacha over the Russians in Asia. The Turkish Generalissimo, with an army of 26,000 men, attempted to force the passage of the Ingour, when he was opposed by an entrenched army of 16,000 Russians, but after a severe engagement of five hours the latter were completely defeated, having had 500 men killed and five out of their seven guns captured. Omar Pacha then proceeded on his march towards Kutais.

19.—The failure of Messrs. Goddard, Brothers, of Birmingham, in the iron trade, announced.

Accounts received of the capture and destruction of immense quantities of grain and forage of this year's harvest, by a flotilla under the command of Capt. Osborne, on the 5th and 6th instant. The *matériel* was packed in six tiers, and extended two miles along the coast, near Gheiskliman, on the coast of the Black Sea, and was ready to be conveyed to the armies in the Crimea and the Caucasus.

Mr. Labouchere appointed Secretary of State for the Colonies, in the place of Sir W. Molesworth, deceased.

21.—The Duke of Argyll appointed Postmaster General, *vice* Lord Canning, appointed Governor-General of India.

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## Monetary Intelligence.

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### REVIEW OF THE MONEY MARKET FOR THE MONTH OF NOVEMBER.

THE state of financial affairs during the past month has been one of unmitigated pressure. Throughout the whole period, an active demand has prevailed for accommodation, and the public have been consequently compelled to pay high rates. During the last fortnight the absorption of capital has been enormous, the liquidation of the instalments on the English and Turkish loans having taken about £2,350,000 out of the market. Although, it is reasonable to suppose that a portion had been provided previously, and no doubt anticipated in former payments, still the circumstance of so large an amount falling due, created its effect, and induced almost universal caution. Pending these engagements there was great apprehension that the Bank directors would be compelled to advance their terms for discount, but the position of the reserve being more favourable, no difficulty was experienced, and they were ultimately fully satisfied. Since the completion of these heavy demands there has been rather less inconvenience, though it is yet quite evident that the stringency will not immediately abate. The arrival of three vessels from Port Phillip,

with a total of gold amounting to upwards of £1,000,000, has at the latest moment imparted greater confidence, and it will depend in measure upon the future supplies especially from this source, whether even the existing equilibrium of things can be maintained. The condition of the foreign exchanges which, in association with other causes, actively influences the value of money, has not improved, and as shipments of specie continue to be made to the continent, it is felt that the prospects of the future can scarcely be deemed encouraging. In Paris inquiry for financial assistance has diminished, but the rates in Hamburg and Amsterdam have risen to points varying between 5 and 8 per cent, a fact indicative of the growing return for capital. To the close of the year it is palpable that money in all quarters will ensure profitable employment, and that small traders and others will be obliged to submit to the increased terms which the banks and discount houses find it necessary to enforce. It is however very satisfactory to discover that mercantile affairs present such an appearance of stability, credit being well supported, considering the late protracted stringency. Some hope is stated to be entertained that the winter may bring about fresh negotiations for peace; and there are those who venture to predict that the preliminaries may now be considered as in course of arrangement; but it is difficult to believe that either France or England will accept any proposal, unless it shall guarantee the integrity of Turkey and provide for the free navigation of the Black and the Baltic Seas. If a termination of the war were announced, it would immediately produce a most beneficial influence. Money would speedily become abundant, trade would revive, and general enterprise receive an impulse of an ordinary description. The rates for the negotiation of first-class paper in Lombard-street are quite equal to those of the Bank directors—other kinds of bills being solely regulated by the character and standing of the parties whose names appear. The allowance for deposits is from 5 to 5½ per cent according to the period fixed.

The English funds have not exhibited a wide range of fluctuation. Consols from 87½ have gradually advanced, until 89½ was temporarily reached, but a reaction has since brought the quotation down to 88½. This, however, establishes a rise of 1 per cent. upon the month, and the market now presents a tolerably firm appearance. The investments of the public have principally operated to produce this favourable change, and the revived rumours of a peace have stimulated general business. Exchequer bills, after being very heavy, have experienced a slight recovery, but the low rate of interest, compared with terms available for accommodation out of door, them from finding an active circulation.

In foreign securities there has been no startling feature. The market generally has been fairly maintained, with a favourable tendency in most cases. Prices have to a certain extent, followed the course of the English funds, the fluctuations influencing both this and the railway market. Turkish including the 6 per cent. and the guaranteed 4 per cent. stocks, have been freely dealt in, but the quotations in either instance have not greatly varied. The payment of a further instalment on the latter, it was thought, would have exercised an adverse effect, although such, in reality, has not proved the fact. Spanish and Dutch have been steady, Mexican rather better, as Brazilian remains firm, with increased investments. It has been announced that the Ecuador conversion will forthwith be proceeded with, and holders of Colombian bonds should lose no time in sending in their claims.

Railway shares have not recovered their late extensive depreciation. The disclosures of the last half-yearly meetings have greatly prejudiced the public, and it will require a lengthened period for the development of some management before any confidence can be placed in the leading description. With a severe pressure for money, and a damaged reputation, these under-

takings are not likely to receive support, and original shares consequently will in all probability, rule at low prices, until a general change for the better intervenes. During the last fortnight, rather more firmness has been manifested, but it has not been of a character to encourage any great hope, French and Canadian shares have been flat, with a limited proportion of business. Indian continue to be depressed by the issue of new shares, the calls on which are not freely paid when capital can find ready employment on much higher terms than  $4\frac{1}{2}$  and 5 per cent. These descriptions will, however, be the first to participate in any favourable movement that may hereafter take place.

The following are the fluctuations in the English and Foreign Stocks, and Railway Shares, during the month just concluded :—

	Price on Oct. 29.	Highest.	Lowest.	Price on Nov. 27.
<b>ENGLISH FUNDS.</b>				
Consols ... ..	$88\frac{1}{2}$ to $88\frac{1}{2}$	$89\frac{1}{2}$	$87\frac{1}{2}$	$88\frac{1}{2}$
Exchequer bills' average ... ..	$\left\{ \begin{array}{l} 3s. \text{ dis.} \\ \text{to} \\ 2s. \text{ pm.} \end{array} \right\}$	3s. pm.	12s. ds.	$\left\{ \begin{array}{l} 9s. \text{ to} \\ 6s. \text{ dis.} \end{array} \right\}$
<b>FOREIGN STOCKS.</b>				
Brazilian ... ..	$99\frac{1}{2}$	100	$98\frac{1}{2}$	$99\frac{1}{2}$
Chilian ... ..	$99\frac{1}{2}$	101	$99\frac{1}{2}$	100
Dutch, $2\frac{1}{2}$ per cent. ... ..	64	64	62	64
Mexican ... ..	$19\frac{1}{2}$ ex. d.	$19\frac{1}{2}$ ex. d.	19½	19½
Peruvian, $4\frac{1}{2}$ per cent. ... ..	$72\frac{1}{2}$	$75\frac{1}{2}$	$72\frac{1}{2}$	$73\frac{1}{2}$
Russian ... ..	$95\frac{1}{2}$	96	94	$95\frac{1}{2}$
Spanish ... ..	—	$38\frac{1}{2}$	$37\frac{1}{2}$	$38\frac{1}{2}$
Turkish, 6 per cent. ... ..	$79\frac{1}{2}$ ex. d.	81½	$78\frac{1}{2}$ ex. d.	$80\frac{1}{2}$
Ditto, 4 per cent. New scrip....	$2\frac{1}{2}$ dis.	$2\frac{1}{2}$ dis.	$4\frac{1}{2}$ dis.	$3\frac{1}{2}$ dis.
<b>RAILWAY SHARES.</b>				
Brighton ... ..	$95\frac{1}{2}$	96	$93\frac{1}{2}$	$94\frac{1}{2}$
Caledonian ... ..	$58\frac{1}{2}$	59	$54\frac{1}{2}$	$54\frac{1}{2}$
Eastern Counties ... ..	9½	9½	8½	9½
Great Northern ... ..	$83\frac{1}{2}$	$87\frac{1}{2}$	83	87
Great Western ... ..	$51\frac{1}{2}$	52	$48\frac{1}{2}$	$49\frac{1}{2}$
Lancashire and Yorkshire... ..	75	$76\frac{1}{2}$	$74\frac{1}{2}$	$75\frac{1}{2}$
London and North Western ... ..	$92\frac{1}{2}$	$95\frac{1}{2}$	$91\frac{1}{2}$	94
Midland ... ..	$63\frac{1}{2}$	$65\frac{1}{2}$	$62\frac{1}{2}$	$63\frac{1}{2}$
South Eastern ... ..	$57\frac{1}{2}$	$58\frac{1}{2}$	$56\frac{1}{2}$	57
South Western ... ..	$82\frac{1}{2}$	$86\frac{1}{2}$	82	85
York, Newcastle, and Berwick ... ..	$64\frac{1}{2}$	69	67	$67\frac{1}{2}$
York and North Midland ... ..	$45\frac{1}{2}$	$45\frac{1}{2}$	$44\frac{1}{2}$	45
East Indian... ..	22	$22\frac{1}{2}$	$20\frac{1}{2}$	21
Northern of France ... ..	—	$35\frac{1}{2}$	$34\frac{1}{2}$	$35\frac{1}{2}$

### THE STATE OF TRADE.

The accounts from the manufacturing districts are generally discouraging, and there has been a large increase in the unemployed population. The augmented price of provisions has been felt in all departments, the poorer classes suffering greatly from the alteration. In Manchester and Birmingham the effects of unremunerative business have made a serious impression, and the close of the year, it is apprehended, will be productive of much distress.

## THE GRAIN TRADE.

The weather has been favourable for agricultural operations, and the reports from the various counties state that the progress has been satisfactory. So far as can be yet ascertained, the prospects of the future are considered gratifying, but they can only at present slightly influence the position of the grain trade. A further advance in prices and a well supported market, in the face of strong opinions expressed with regard to the supplies that must ultimately be received, show that holders possess faith in a high range, and under these circumstances, there is no immediate expectation of a sudden or alarming fall. Whatever alteration may occur in an advanced period of the season it is difficult to predict, but at present the arrivals of foreign have fallen far short of the anticipated quantity. Besides, in all the continental markets great firmness has been exhibited, and quotations in America have been acted upon by the orders from France and England. Although it has been asserted that the transactions of speculators have largely operated in promoting the advance, it is contended by those who are well acquainted with the course of business in Mark-lane, that actual supply and demand have during the last two or three months had a great deal to do with the upward tendency observable. If negotiations for a peace were re-opened and they appeared likely to lead to a successful result, there would of course be an immediate reaction, but otherwise January and February may pass without an important variation.

The *Gazette* returns for England and Wales have been:—

Week ended 1855.	Wheat. Qrs. sold.		Weekly Average.		Six Weeks' Average.		Duty.		Corresponding Six Weeks Last Year.	
			s.	d.	s.	d.			s.	d.
October 27.....	141,708	...	78	4	...	77	2	...	1	0
November 3.....	124,463	...	80	3	...	77	8	...	1	0
" 10.....	118,730	...	80	5	...	78	2	...	1	0
" 17.....	126,465	...	80	10	...	78	4	...	1	0

The importations since the harvest of 1854 have been:—

	Wheat. Qrs.	Other Grain. Qrs.	Total. Qrs.
Sixty-five weeks ended 17th October...	2,502,178	3,130,275	5,632,453
Four weeks ended 14th November.....	188,796	119,242	308,038
	2,690,974	3,249,517	5,940,491

And the *weekly averages* have been:—

Sixty-five weeks ended 17th October ...	38,000	48,000	86,000
Four weeks ended 14th November .....	47,000	30,000	77,000

More 9,000 Less 18,000 Less 9,000

## NOTICES TO CORRESPONDENTS.

Owing to a pressure on our pages, one or two articles, with some letters, are obliged, at the last moment, to stand over. Correspondents will please remember that letters, to ensure punctual attention, should be forwarded by the 20th of the month.

**H. T. (Devonshire).—**Received too late. Notice of the subject shall be taken next month.

**A. CASHIER.—**Many surmises have been hazarded with regard to the appointment; but it is considered the best that could have been made under the circumstances.

**L. M. B.—**The bank in question has a large and profitable business, and the operations latterly have been conducted with great prudence. We cannot, however, give any distinct information on the property as an investment; but, according to inquiry, it appears to be thought favourably of in the market.

**G. A. A.—**The suggestion made shall receive consideration. The only question will be the space occupied.

**THE ENGLISH FUNDS.**—*Daily Prices from 29th November, 1854, to 26th December, 1854, inclusive.*

	29	30	1	2	3	4	5	6	7	8	9	11	12	13	14	15	16	18	19	20	21	22	23	25	26
Bank Stock (div. 9 per Ct.)	210	204	209	207	208	204	208	208	208	208	204	209	207	209	207	209	207	208	209	209	209	209	209	209	209
3 per Ct. Red. Anns.	90	91	89	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	
5 per Ct. Consols Anns.	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	
New 3 per cent. Anns.	90	89	89	90	90	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	
New 2 1/2 per cent.	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	
5 per cent.	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	
Long Anns. Jan. 5, 1860	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	
Ditto 30 years, Oct. 10, 1859	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	
Ditto 30 years, Jan. 5, 1860	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	
Ditto 30 years, Jan. 5, 1860	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	
India Stock (div. 10 per cent.)	250	232	233	234	231	231	231	231	231	231	231	231	231	231	231	231	231	231	231	231	231	231	231	231	
Ditto Bonds at 1000 (div. 4 p.c.)	100	110	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
Ditto, under £500	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	110	
Bank Stock for ac. 7th Dec.	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	
Ditto, ditto	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	
3 p. Ct. Cons. for ac. 7th Dec.	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	
Ditto, 10th January	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	
India Stock for ac. 16th Jan.	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	
Ex. Bills at 1000, 24th per diem	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	
Ditto, £500 do.	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	
Ditto, Small do.	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	
Ditto Bonds for ac. 1553 3/4 p.c.	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	
Ditto Scrip B 1453	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	

JOINT-STOCK BANKS.		London	
	Latest Prices.		
Australasia	£40 sh., 50	6 pd., 81	
British North American	50	63	
Commercial of London	100	20	31
Colonial	100	25	0
London and Westminster	100	20	1 1/2
London Joint Stock	100	20	42
Oriental Bank	50	10	2 1/2
Provincial of Ireland	25	25	39
National of Ireland	100	25	0
National Provincial of England	50	22	10
South Australian	100	32	0
Union of Australia	25	25	57
Union of London	25	25	42
London and County	50	60	
London Chartered of Australia	50	10	0
English, Scottish, and Australian Chartered	20	20	35
Bank of India, China, and New South Wales	20	20	22
	16	0	13
	20	0	11
	20	0	37

RAILWAY SHARES.		CONTRACT.	
	Prices Paid up		
Nov. 27.	60	Nov. 27.	60
Nov. 28.	61	Nov. 28.	61
Nov. 29.	62	Nov. 29.	62
Nov. 30.	63	Nov. 30.	63
Nov. 31.	64	Nov. 31.	64
Nov. 32.	65	Nov. 32.	65
Nov. 33.	66	Nov. 33.	66
Nov. 34.	67	Nov. 34.	67
Nov. 35.	68	Nov. 35.	68
Nov. 36.	69	Nov. 36.	69
Nov. 37.	70	Nov. 37.	70
Nov. 38.	71	Nov. 38.	71
Nov. 39.	72	Nov. 39.	72
Nov. 40.	73	Nov. 40.	73
Nov. 41.	74	Nov. 41.	74
Nov. 42.	75	Nov. 42.	75
Nov. 43.	76	Nov. 43.	76
Nov. 44.	77	Nov. 44.	77
Nov. 45.	78	Nov. 45.	78
Nov. 46.	79	Nov. 46.	79
Nov. 47.	80	Nov. 47.	80
Nov. 48.	81	Nov. 48.	81
Nov. 49.	82	Nov. 49.	82
Nov. 50.	83	Nov. 50.	83
Nov. 51.	84	Nov. 51.	84
Nov. 52.	85	Nov. 52.	85
Nov. 53.	86	Nov. 53.	86
Nov. 54.	87	Nov. 54.	87
Nov. 55.	88	Nov. 55.	88
Nov. 56.	89	Nov. 56.	89
Nov. 57.	90	Nov. 57.	90
Nov. 58.	91	Nov. 58.	91
Nov. 59.	92	Nov. 59.	92
Nov. 60.	93	Nov. 60.	93
Nov. 61.	94	Nov. 61.	94
Nov. 62.	95	Nov. 62.	95
Nov. 63.	96	Nov. 63.	96
Nov. 64.	97	Nov. 64.	97
Nov. 65.	98	Nov. 65.	98
Nov. 66.	99	Nov. 66.	99
Nov. 67.	100	Nov. 67.	100
Nov. 68.	101	Nov. 68.	101
Nov. 69.	102	Nov. 69.	102
Nov. 70.	103	Nov. 70.	103
Nov. 71.	104	Nov. 71.	104
Nov. 72.	105	Nov. 72.	105
Nov. 73.	106	Nov. 73.	106
Nov. 74.	107	Nov. 74.	107
Nov. 75.	108	Nov. 75.	108
Nov. 76.	109	Nov. 76.	109
Nov. 77.	110	Nov. 77.	110
Nov. 78.	111	Nov. 78.	111
Nov. 79.	112	Nov. 79.	112
Nov. 80.	113	Nov. 80.	113
Nov. 81.	114	Nov. 81.	114
Nov. 82.	115	Nov. 82.	115
Nov. 83.	116	Nov. 83.	116
Nov. 84.	117	Nov. 84.	117
Nov. 85.	118	Nov. 85.	118
Nov. 86.	119	Nov. 86.	119
Nov. 87.	120	Nov. 87.	120
Nov. 88.	121	Nov. 88.	121
Nov. 89.	122	Nov. 89.	122
Nov. 90.	123	Nov. 90.	123
Nov. 91.	124	Nov. 91.	124
Nov. 92.	125	Nov. 92.	125
Nov. 93.	126	Nov. 93.	126
Nov. 94.	127	Nov. 94.	127
Nov. 95.	128	Nov. 95.	128
Nov. 96.	129	Nov. 96.	129
Nov. 97.	130	Nov. 97.	130
Nov. 98.	131	Nov. 98.	131
Nov. 99.	132	Nov. 99.	132
Nov. 100.	133	Nov. 100.	133
Nov. 101.	134	Nov. 101.	134
Nov. 102.	135	Nov. 102.	135
Nov. 103.	136	Nov. 103.	136
Nov. 104.	137	Nov. 104.	137
Nov. 105.	138	Nov. 105.	138
Nov. 106.	139	Nov. 106.	139
Nov. 107.	140	Nov. 107.	140
Nov. 108.	141	Nov. 108.	141
Nov. 109.	142	Nov. 109.	142
Nov. 110.	143	Nov. 110.	143
Nov. 111.	144	Nov. 111.	144
Nov. 112.	145	Nov. 112.	145
Nov. 113.	146	Nov. 113.	146
Nov. 114.	147	Nov. 114.	147
Nov. 115.	148	Nov. 115.	148
Nov. 116.	149	Nov. 116.	149
Nov. 117.	150	Nov. 117.	150
Nov. 118.	151	Nov. 118.	151
Nov. 119.	152	Nov. 119.	152
Nov. 120.	153	Nov. 120.	153
Nov. 121.	154	Nov. 121.	154
Nov. 122.	155	Nov. 122.	155
Nov. 123.	156	Nov. 123.	156
Nov. 124.	157	Nov. 124.	157
Nov. 125.	158	Nov. 125.	158
Nov. 126.	159	Nov. 126.	159
Nov. 127.	160	Nov. 127.	160
Nov. 128.	161	Nov. 128.	161
Nov. 129.	162	Nov. 129.	162
Nov. 130.	163	Nov. 130.	163
Nov. 131.	164	Nov. 131.	164
Nov. 132.	165	Nov. 132.	165
Nov. 133.	166	Nov. 133.	166
Nov. 134.	167	Nov. 134.	167
Nov. 135.	168	Nov. 135.	168
Nov. 136.	169	Nov. 136.	169
Nov. 137.	170	Nov. 137.	170
Nov. 138.	171	Nov. 138.	171
Nov. 139.	172	Nov. 139.	172
Nov. 140.	173	Nov. 140.	173
Nov. 141.	174	Nov. 141.	174
Nov. 142.	175	Nov. 142.	175
Nov. 143.	176	Nov. 143.	176
Nov. 144.	177	Nov. 144.	177
Nov. 145.	178	Nov. 145.	178
Nov. 146.	179	Nov. 146.	179
Nov. 147.	180	Nov. 147.	180
Nov. 148.	181	Nov. 148.	181
Nov. 149.	182	Nov. 149.	182
Nov. 150.	183	Nov. 150.	183
Nov. 151.	184	Nov. 151.	184
Nov. 152.	185	Nov. 152.	185
Nov. 153.	186	Nov. 153.	186
Nov. 154.	187	Nov. 154.	187
Nov. 155.	188	Nov. 155.	188
Nov. 156.	189	Nov. 156.	189
Nov. 157.	190	Nov. 157.	190
Nov. 158.	191	Nov. 158.	191
Nov. 159.	192	Nov. 159.	192
Nov. 160.	193	Nov. 160.	193
Nov. 161.	194	Nov. 161.	194
Nov. 162.	195	Nov. 162.	195
Nov. 163.	196	Nov. 163.	196
Nov. 164.	197	Nov. 164.	197
Nov. 165.	198	Nov. 165.	198
Nov. 166.	199	Nov. 166.	199
Nov. 167.	200	Nov. 167.	200
Nov. 168.	201	Nov. 168.	201
Nov. 169.	202	Nov. 169.	202
Nov. 170.	203	Nov. 170.	203
Nov. 171.	204	Nov. 171.	204
Nov. 172.	205	Nov. 172.	205
Nov. 173.	206	Nov. 173.	206
Nov. 174.	207	Nov. 174.	207
Nov. 175.	208	Nov. 175.	208
Nov. 176.	209	Nov. 176.	209
Nov. 177.	210	Nov. 177.	210
Nov. 178.	211	Nov. 178.	211
Nov. 179.	212	Nov. 179.	212
Nov. 180.	213	Nov. 180.	213
Nov. 181.	214	Nov. 181.	214
Nov. 182.	215	Nov. 182.	215
Nov. 183.	216	Nov. 183.	216
Nov. 184.	217	Nov. 184.	217
Nov. 185.	218	Nov. 185.	218
Nov. 186.	219	Nov. 186.	219
Nov. 187.	220	Nov. 187.	220
Nov. 188.	221	Nov. 188.	221
Nov. 189.	222	Nov. 189.	222
Nov. 190.	223	Nov. 190.	223
Nov. 191.	224	Nov. 191.	224
Nov. 192.	225	Nov. 192.	225
Nov. 193.	226	Nov. 193.	226
Nov. 194.	227	Nov. 194.	227
Nov. 195.	228	Nov. 195.	228
Nov. 196.	229	Nov. 196.	229
Nov. 197.	230	Nov. 197.	230
Nov. 198.	231	Nov. 198.	231
Nov. 199.	232	Nov. 199.	232

The closing prices of the day are quoted.



# Bank of England Weekly Returns.

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the Weeks ending as follows.

## ISSUE DEPARTMENT.

	1854. Nov. 18th.	1854. Nov. 25th.	1854. Dec. 2nd.	1854. Dec. 9th.	1854. Dec. 16th.
Notes issued.....	£ 26,852,420	£ 27,102,620	£ 27,244,460	£ 27,334,415	£ 27,369,845
Government debt.....	11,015,100	11,015,100	11,015,100	11,015,100	11,015,100
Other securities .....	2,984,900	2,984,900	2,984,900	2,984,900	2,984,900
Gold coin and bullion .....	12,852,420	13,102,620	13,244,460	13,334,415	13,369,845
Silver bullion .....	—	—	—	—	—
	26,852,420	27,102,620	27,244,460	27,334,415	27,369,845

## BANKING DEPARTMENT.

	1854. Nov. 18th.	1854. Nov. 25th.	1854. Dec. 2nd.	1854. Dec. 9th.	1854. Dec. 16th.
Proprietors' capital.....	£ 14,553,000	£ 14,553,000	£ 14,553,000	£ 14,553,000	£ 14,553,000
Reserve .....	3,172,364	3,176,199	3,121,642	3,124,711	3,123,839
Public deposits (including Ex- chequer, Savings Banks, Com- missioners of National Debt, and Dividend Accounts) .....	4,465,919	4,782,390	4,994,893	5,545,408	6,835,675
Other deposits .....	9,685,004	9,715,309	9,759,246	9,691,373	9,710,512
Seven day and other bills .....	1,070,665	1,044,770	1,052,668	1,022,167	993,112
	32,946,951	33,271,666	33,481,439	33,936,599	34,424,338
Government securities (including Dead Weight Annuity) .....	11,439,871	11,461,703	11,517,738	11,604,267	11,565,357
Other securities .....	13,850,566	13,850,140	13,710,468	12,732,473	13,969,237
Notes .....	7,024,150	7,322,645	7,627,670	7,928,830	8,330,790
Gold and silver coin .....	642,364	607,174	625,563	671,029	659,624
	32,946,951	33,271,666	33,481,439	33,936,599	34,424,338

## The Exchanges.

	Nov. 17th.	Nov. 24th.	Dec. 1st.	Dec. 8th.	Dec. 15th.
Amsterdam, short ..	11 15½	11 15½	11 16	11 15½	11 15½
Ditto 3 months..	11 17½	11 17½	11 17½	11 17½	11 17½
Rotterdam, ditto ..	11 17½	11 17½	11 18	11 17½	11 17½
Antwerp, ditto ..	25 32½	25 32½	25 35	25 35	25 35½
Brussels, ditto .....	25 32½	25 32½	25 35	25 35	25 35½
Hamburg, ditto .....	13 6½	13 6½	13 6	13 5½	13 5½
Paris, short .....	25 15	25 12½	25 12½	25 12½	25 12½
Paris, 3 months .....	25 32½	25 35	25 37½	25 37½	25 37½
Marseilles, ditto .....	25 35	25 35	25 40	25 40	25 37½
Frankfort, ditto .....	118½	118½	118½	118½	117½
Vienna, ditto .....	19 35	13 5	12 40	19 36	12 30
Trieste, ditto .....	12 38	13 10	12 48	12 30	12 32
Petersburgh, ditto ..	35	35	35½	35½	35½
Madrid, ditto .....	50	50	50	50½	50½
Cádiz, ditto .....	50½	50½	50½	50½	50½
Leghorn, ditto .....	30 45	30 47½	30 55	30 55	30 55½
Genoa, ditto .....	25 47½	25 47½	25 55	25 55	25 55
Naples, ditto .....	43½	44½	44½	44½	44
Palermo, ditto .....	120½	131	131	131	131½
Messina, ditto .....	130	131½	131½	131	131½
Lisbon, 60 days' date ..	53½	53½	53½	53½	53½
Oporto, ditto .....	53½	53½	53½	53½	53½
Rio Janeiro, ditto ..	—	—	—	—	—

## PRICES OF BULLION.

	Per Ounce.	Per Ounce.	Per Ounce.	Per Ounce.	Per Ounce.
Foreign Gold in Bars. (Standard) .....	£3 17 9	£3 17 9	£3 17 9	£3 17 9	£3 17 9
Mexican Dollars .....	0 5 0	0 5 0	0 5 0	0 5 0	0 5 0
Silver in Bars (Stand.)	0 5 1½	0 5 0	0 5 1½	0 5 1½	0 5 1½

# Bankers' Weekly Circulation Returns.

Pursuant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTE.

## PRIVATE BANKS.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Nov. 4.	Nov. 11.	Nov. 18.	Nov. 25.
	£	£	£	£	£
1 Andover Bank .....	17,751	14,364	13,104	13,508	14,279
2 Ashford Bank .....	11,849	10,526	12,770	12,305	11,653
3 Aylsham Bank .....	5,854	5,075	4,670	4,264	4,297
4 Aylesbury Old Bank .....	48,461	30,227	28,508	29,316	30,175
5 Baldock and Biggleswade Bank ..	37,223	27,410	28,947	29,176	29,268
6 Barnstable Bank .....	17,182	12,162	11,733	10,772	10,412
7 Basingstoke and Odiham Bank ...	24,730	20,995	19,940	18,728	18,505
8 Bedford Bank .....	34,218	31,373	33,509	33,742	34,338
9 Bewdley Bank .....	18,597	12,421	11,959	11,827	11,657
10 Bicester and Oxfordshire Bank ...	27,090	13,661	13,277	13,159	13,095
11 Birmingham Bank—Attwoods & Co.	23,695	23,690	22,950	23,200	24,043
12 Birmingham and Warwickshire Bk.	18,132	11,005	11,520	10,483	10,180
13 Blandford Bank .....	9,723	7,109	7,246	7,552	7,117
14 Boston Bank—Garfit and Co. ....	75,069	79,184	72,832	68,138	72,509
15 Boston Bank—Gee and Co. ....	15,161	13,980	14,315	13,974	14,903
16 Bridgewater Bank .....	10,028	6,162	6,145	5,912	5,998
17 Bristol Bank .....	48,277	44,971	43,760	41,105	40,068
18 Broseley and Bridgenorth Bank ...	26,717	20,774	20,803	20,060	20,990
19 Buckingham Bank .....	29,557	21,839	22,158	20,141	20,827
20 Bury and Suffolk Bank .....	82,362	71,014	67,530	66,101	65,995
21 Banbury Bank .....	43,457	34,343	33,735	32,865	33,082
22 Banbury Old Bank .....	55,153	27,950	27,157	26,833	27,480
23 Bath City Bank .....	4,572	3,354	3,400	2,989	2,584
24 Bedfordshire Leighton Buzzard Bk.	36,829	37,337	36,408	36,384	35,677
25 Birmingham Bk.—Taylor & Lloyds	38,816	35,602	35,155	35,221	35,388
26 Bradford Old Bank .....	12,676	11,266	12,205	12,618	11,924
27 Brecon Old Bank .....	68,271	69,500	69,609	68,645	64,929
28 Brighton Union Bank .....	33,794	23,065	22,988	22,760	22,365
29 Burlington and Driffield Bank .....	12,745	12,482	12,619	12,051	12,509
30 Bury St. Edmund's Bank .....	3,201	3,065	2,742	2,890	2,882
31 Cambridge Bk.—Mortlock & Co.	25,744	15,701	16,423	15,798	15,205
32 Cambridge and Cambridgeshire Bk.	49,916	48,148	49,350	49,668	48,277
33 Canterbury Bank .....	33,671	31,148	32,055	31,182	32,702
34 Carmarthen Bank .....	23,597	23,622	24,294	23,460	22,331
35 Chertsey Bank .....	3,436	3,440	3,223	3,358	3,300
36 Colchester Bank .....	25,082	16,326	16,252	15,202	15,090
37 Colchester and Essex Bank .....	48,704	33,543	32,555	32,140	31,292
38 Cornish Bank—Tweedy & Co. ...	49,869	46,260	47,660	45,912	46,770
39 Coventry Bank .....	12,045	6,140	6,142	6,188	6,281
40 City Bank, Exeter .....	21,527	19,878	19,514	19,465	18,924
41 Craven Bank—Alcocks & Co. ...	77,154	76,243	75,740	75,104	74,279
42 Cardiff Bank .....	7,001	6,820	7,284	6,822	6,559
43 Chepstow Old Bank .....	9,387	8,496	8,309	8,963	9,708
44 Derby Bank—Messrs. Evans .....	13,332	11,128	10,892	10,223	9,959
45 Derby Bank—Smith and Co. ....	41,304	41,962	42,270	40,094	39,600
46 Derby Old Bank .....	27,237	26,756	26,398	25,858	25,641
47 Devizes and Wiltshire Bank .....	20,674	9,331	9,783	9,359	8,995
48 Diss Bank .....	10,657	10,209	9,750	9,794	10,093
49 Doncaster Bank and Retford Bank	77,400	74,573	76,406	77,066	78,504
50 Darlington Bank ..	86,218	85,590	85,587	85,304	86,294
51 Devonport Bank .....	10,664	9,400	9,495	9,220	8,821
52 Dorchester Old Bank .....	48,807	48,135	48,368	49,301	47,261
53 East Cornwall Bk.—Robins & Co.	112,280	108,953	107,739	104,865	105,075
54 East Riding Bank—Bower & Co.	53,392	51,266	52,865	52,634	54,413
55 Essex Bk. & Bishops Stortford Bk.	69,637	45,930	44,947	45,422	45,158
56 Exeter Bank .....	37,894	29,437	29,450	28,455	28,251
57 Fakenham Bank .....	24,293	20,930	20,150	19,871	19,888

**WEEKLY RETURNS OF BANKS OF ISSUE.**

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT.			
		Nov. 4.	Nov. 11.	Nov. 18.	Nov. 25.
	£	£	£	£	£
58 Faringdon Bk. & Bk. of Wantage	8,977	7,125	6,945	6,836	7,150
59 Farnham Bank	14,202	12,092	12,330	14,760	14,180
60 Faversham Bank	6,681	5,733	6,698	6,153	6,040
61 Godalming Bank	6,322	5,321	5,455	5,108	4,740
62 Guildford Bank	14,524	7,245	7,623	7,440	8,110
63 Grantham Bank—Hardy and Co.	30,372	17,439	27,493	28,515	27,970
64 Hastings Old Bank	38,038	30,287	31,187	31,212	33,880
65 Hereford City and County Bank	22,364	21,751	20,571	20,902	19,530
66 Hertford and Ware Bank	23,635	16,139	17,345	17,823	19,600
67 Hull & Kingston-upon-Hull Bank	19,979	19,775	20,543	19,891	19,250
68 Huntingdon Town & County Bank	56,591	56,725	53,891	53,977	54,380
69 Harwich Bank	5,778	5,770	5,686	5,507	5,210
70 Hemel Hempstead Bank	23,842	22,685	22,526	22,520	22,770
71 Hertfordshire, Hitchin Bank	38,764	32,017	31,708	31,293	30,620
72 Hereford, Ross, & Archenfield Bk.	27,625	24,261	23,886	24,552	23,970
73 Ipswich Bank	21,901	19,663	20,284	20,181	19,960
74 Ipswich & Needham Market Bank	80,699	65,254	65,574	64,934	64,930
75 Kentish Bank—Mercer & Co.	19,895	21,153	20,725	19,446	17,210
76 Kingston and Radnorshire Bank	26,050	25,951	26,026	26,021	26,020
77 Knighton Bank	9,090	8,883	9,378	9,005	9,020
78 Knaresborough Old Bank	21,825	20,665	21,795	21,866	21,900
79 Kendal Bank	44,663	45,001	44,305	43,780	42,680
80 Kettering Bank	9,192	8,694	8,911	8,880	9,110
81 Lane End Staffordshire Bank	5,624	5,330	5,329	5,398	5,310
82 Leeds Bank	53,357	52,632	54,430	54,225	51,550
83 Leeds Union Bank	37,459	37,306	37,230	37,242	37,330
84 Leicester Bank	32,322	30,626	31,337	31,854	29,450
85 Lewes Old Bank	44,816	29,025	29,650	30,410	29,520
86 Lichfield Bank	22,786	11,849	11,230	10,040	9,680
87 Lincoln Bank	100,342	100,137	99,260	98,665	96,780
88 Llandoverly Bank & Llandilo Bank	32,945	28,441	28,870	29,970	29,160
89 Loughborough Bank	7,359	6,245	6,542	7,465	7,490
90 Lynton Bank	5,038	4,198	3,975	3,955	3,600
91 Lynn Regis and Lincolnshire Bank	42,817	39,643	36,923	36,645	35,310
92 Lynn Regis and Norfolk Bank	13,417	13,305	13,030	13,737	13,350
93 Macclesfield Bank	15,760	15,585	15,322	15,097	14,500
94 Mauntings Bank	7,692	2,843	2,865	2,857	2,300
95 Merionethshire Bank	10,906	10,285	9,904	9,360	8,760
96 Miners' Bank	18,688	17,203	17,476	16,692	16,000
97 Monmouthshire Agricultural and Commercial Bank	29,335	28,107	28,923	29,200	28,480
98 Monmouth Old Bank	16,385	16,088	15,650	15,452	16,350
99 Newark Bank	28,788	26,300	26,960	26,366	27,040
100 Newark and Sleaford Bank	51,615	54,580	51,075	50,060	50,620
101 Newbury Bank	36,787	22,610	21,941	21,050	20,830
102 Newmarket Bank	23,098	21,613	21,297	21,013	20,730
103 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	48,403	48,082	48,744	48,440
104 Norwich and Norfolk Bank	75,372	71,598	70,570	69,081	69,190
105 Nottingham, Nottinghamshire	10,866	10,091	10,795	11,116	10,650
106 Nuneaton Bank	5,898	3,499	3,238	3,529	3,340
107 Naval Bank, Plymouth	27,321	24,395	23,851	22,610	22,930
108 New Sarum Bk.—Everett & Smith	15,659	11,697	11,692	11,566	11,550
109 Nottingham Bank	31,047	30,364	32,762	30,707	29,160
110 Oswestry Bank	18,471	11,765	12,396	11,978	11,100
111 Oxford Old Bank	34,391	32,422	32,857	32,922	32,570
112 Old Bank, Tonbridge	13,183	9,190	9,346	9,355	8,880
113 Oxfordshire Witney Bank	11,852	9,878	10,816	10,855	11,078
114 Pease's Old Bank, Hull	48,837	47,108	47,306	46,676	47,250
115 Penzance Bank	11,405	10,807	10,569	10,400	10,798
116 Peterborough Bank—Yorke & Co.	12,545	9,693	9,666	8,953	8,300

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Nov. 4.	Nov. 11.	Nov. 18.	Nov. 25.
	£	£	£	£	£
117 Pembrokehire Bank .....	12,910	12,813	12,713	12,898	12,740
118 Reading Bank—Simmonds & Co. ....	37,519	29,666	29,693	28,832	27,600
119 Reading Bk.—Stephens & Blandy .....	43,271	27,750	27,815	27,625	27,410
120 Richmond Bank, Richmond .....	6,889	6,910	6,973	6,574	6,813
121 Rochdale Bank .....	5,590	5,578	5,256	5,303	5,358
122 Rochester, Chatham, & Strood Bk. ....	10,480	8,311	8,514	8,398	7,827
123 Royston Bank .....	16,393	13,899	13,540	13,538	13,257
124 Rugby Bank .....	17,250	9,668	9,736	9,616	10,614
125 Rye Bank .....	29,864	16,502	16,553	16,546	16,618
126 Ross Old Bank, Herefordshire ...	4,420	4,185	4,403	4,273	4,248
127 Saffron Walden & North Essex Bk. ....	27,646	26,474	26,957	27,808	28,329
128 Salop Bank .....	22,338	15,952	15,444	15,574	15,311
129 Scarborough Old Bank .....	24,813	24,705	24,682	24,544	24,710
130 Shrewsbury Old Bank .....	43,191	39,497	42,345	41,413	40,628
131 Sittingbourne and Milton Bank .....	4,789	3,300	3,305	3,407	3,465
132 Southampton Town & County Bk. ....	18,589	15,229	14,611	14,035	13,742
133 Southwell Bank .....	14,744	14,091	14,164	14,549	14,419
134 Southampton and Hampshire Bk. ....	6,770	3,946	3,923	3,698	3,737
135 Stone Bank .....	9,100	370	370	370	370
136 Stafford Old Bank .....	14,166	11,316	11,306	11,356	11,440
137 Stamford and Rutland Bank .....	31,858	32,647	31,825	32,230	30,210
138 Shrewsbury and Welsh Pool Bank .....	25,336	23,900	24,265	24,112	24,083
139 Tannock Bank .....	29,799	28,910	28,260	27,606	27,179
140 Tavistock Bank .....	13,421	8,073	9,697	8,954	8,024
141 Thornbury Bank .....	10,026	4,584	4,475	4,341	4,183
142 Tiverton and Devonshire Bank .....	13,470	10,543	10,730	10,012	10,145
143 Thrapstone and Kettering Bank .....	11,559	11,609	11,049	11,127	11,316
144 Tring Bank and Chesham Bank .....	13,531	11,244	11,039	11,014	11,321
145 Towcester Old Bank .....	10,801	9,374	8,828	9,195	8,781
146 Town and County of Poole Bk. .... and Ringwood and Poole Bk. ....	11,856	12,149	11,562	11,549	11,690
147 Union Bank, Cornwall .....	17,003	14,804	14,780	12,624	12,408
148 Uxbridge Old Bank .....	25,136	14,500	14,107	14,744	15,020
149 Wallingford Bank .....	17,064	7,630	7,842	8,165	8,071
150 Warwick and Warwickshire Bank .....	30,504	22,621	22,002	22,782	22,257
151 Wellington Bank, Somerset .....	6,528	5,710	5,866	4,867	4,249
152 West Riding Bank .....	46,158	43,785	44,501	44,027	44,462
153 Whithy Old Bank .....	14,258	13,932	14,040	14,048	14,245
154 Winchester, Alresford & Alton Bk. ....	25,892	21,664	21,153	20,420	20,430
155 Weymouth Old Bank .....	16,461	16,733	16,475	15,839	15,265
156 Wirksworth and Derbyshire Bk. ....	37,602	36,359	36,737	35,516	35,096
157 Wisbeach and Lincolnshire Bank .....	59,713	55,470	58,915	59,190	60,180
158 Wiveliscombe Bank .....	7,602	7,284	7,542	6,540	5,983
159 Wolverhampton Bk.—Goodricke .....	14,180	13,359	12,790	12,995	14,120
160 Worcester Bank .....	15,463	7,066	6,840	7,148	6,562
161 Worcester Old Bank .....	87,448	79,534	79,016	73,091	69,545
162 Worcestershire Bank .....	14,109	9,734	9,236	8,878	8,508
163 Wolverham. Bk.—R. & W. Fryer .....	11,867	11,575	11,930	11,536	11,385
164 Yarmouth and Suffolk Bank .....	53,060	44,703	44,168	43,964	43,418
165 Yarmouth, Norfolk, & Suffolk Bk. ....	13,229	11,624	11,303	11,965	12,424
166 York Bank .....	46,387	47,361	45,408	44,221	43,437

## JOINT STOCK BANKS.

1 Bank of Westmoreland .....	12,225	9,242	9,830	10,719	10,841
2 Barnsley Banking Company .....	9,563	9,614	9,563	9,375	9,332
3 Bradford Banking Company .....	49,292	48,149	47,548	47,655	48,350
4 Bolton District Banking Company .....	9,418	9,126	9,647	9,155	7,995
5 Bank of Whitehaven .....	32,681	32,205	32,039	32,122	31,458
6 Bradford Commercial Banking Co. ....	20,084	18,798	19,348	19,721	20,012
7 Barton, Uttoxeter, and Staffordshire Union Bank .....	60,701	52,600	54,227	52,501	51,520

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT.		
		Nov. 4.	Nov. 11.	Nov. 18.
	£	£	£	£
8 Chesterfield & N. Derbysh. Bk. Co.	10,421	10,121	10,085	10,330
9 Cumberland Union Banking Co....	35,395	34,768	35,100	35,349
10 Cheltenham & Gloucestershire Bk. Co.	12,786	9,505	9,683	10,052
11 Coventry and Warwickshire Bk. Co.	28,734	24,740	25,467	23,923
12 Coventry Union Banking Company	16,251	14,871	13,427	13,262
13 County of Gloucester Banking Co.	144,352	112,312	107,985	106,417
14 Carlisle & Cumberland Banking Co.	25,610	25,702	25,468	25,418
15 Carlisle City and District Bank ...	19,972	20,457	20,257	19,293
16 Dudley & West Bromwich Bk. Co.	37,695	36,339	37,278	37,400
17 Derby and Derbyshire Banking Co.	20,093	20,375	19,490	18,914
18 Darlington Dist. Joint Stock Bk. Co.	26,134	27,220	25,810	24,017
19 East of England Bank .....	25,025	23,743	23,911	24,192
20 Gloucestershire Banking Company	155,920	157,605	157,395	152,219
21 Halifax Joint Stock Bank.....	18,534	18,276	18,985	18,450
22 Huddersfield Banking Company...	37,354	37,557	36,103	36,310
23 Hull Banking Company .....	29,333	27,686	29,043	27,765
24 Halifax Commercial Banking Co...	13,733	13,564	13,795	13,803
25 Halifax & Huddersfield Union Bk.	44,137	43,087	42,525	43,938
26 Helston Banking Company .....	1,503	1,456	1,474	1,434
27 Herefordshire Banking Company...	25,047	28,292	27,727	23,376
28 Knaresborough and Claro Bk. Co.	28,059	28,206	28,488	27,681
29 Kingsbridge Joint Stock Bank ....	3,952	4,089	3,779	3,905
30 Lancaster Banking Company .....	64,111	63,234	63,093	63,090
31 Leeds Banking Company .....	23,076	22,780	23,614	23,405
32 Leicestershire Banking Company...	86,060	82,300	78,410	79,494
33 Lincoln and Lindsey Banking Co.	51,620	43,056	50,665	50,921
34 Leamington Priors and Warwickshire Bank .....	13,875	11,015	11,641	11,643
35 Ludlow and Tenbury Bank .....	10,215	9,325	10,205	10,047
36 Moore & Robinson's Notts. Bank...	35,813	37,339	35,951	34,073
37 Nottingham and Notts. Banking Co.	29,477	27,713	27,990	27,533
38 National Provincial Bk. of England	442,371	438,810	432,875	412,635
39 North Wilts Banking Company ...	63,939	46,064	46,322	46,797
40 Northamptonshire Union Bank ....	84,356	83,782	81,914	79,428
41 Northamptonshire Banking Co. ...	26,401	24,742	24,970	25,404
42 North and South Wales Bank .....	63,951	46,027	45,955	48,420
43 Pare's Leicestershire Banking Co...	59,300	54,033	54,282	56,516
44 Saddleworth Banking Company ...	8,122	2,512	2,712	2,560
45 Sheffield Banking Company.....	35,843	37,028	36,649	33,463
46 Stamford, Spalding & Boston Bk. Co.	55,721	46,803	53,765	56,447
47 Stuckey's Banking Company .....	356,976	352,910	354,820	350,419
48 Shropshire Banking Company.....	47,951	41,495	45,600	48,001
49 Stourbridge and Kidderminster Bk.	56,830	56,542	56,941	56,801
50 Sheffield and Hallamshire Bank ...	23,524	23,644	22,969	22,087
51 Sheffield & Rotherham Jt. Stock Bk.	52,496	54,203	51,529	50,283
52 Swaledale and Wensleydale Bank...	54,372	52,618	52,825	51,455
53 Storey and Thomas's Bank .....	9,714	9,150	9,976	9,991
54 Wolverhampton & Staffordsh. Bk.	35,378	33,595	36,840	36,302
55 Wakefield and Barnsley Union Bk.	14,604	13,035	13,160	13,123
56 Whitehaven Joint Stock Bank ...	31,916	30,410	29,379	30,625
57 Warwick and Leamington Bk. Co.	37,124	29,058	30,453	29,201
58 West of England and South Wales District Bank .....	83,535	77,311	79,448	78,673
59 Wilts & Dorset Banking Company	76,162	77,622	74,854	72,179
60 West Riding Union Banking Co....	34,029	33,425	33,772	34,220
61 Whitchurch & Ellesmere Bk. Co.	7,475	5,958	5,574	5,477
62 Worcester City and County Bk. Co.	6,848	6,689	7,025	6,417
63 York Union Banking Company ...	71,240	69,006	69,705	68,538
64 York City and County Banking Co.	94,695	90,907	93,287	95,780
65 Yorkshire Banking Company .....	122,532	117,682	124,086	125,857

## SUMMARY OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	Nov. 4.	Nov. 11.	Nov. 18.	Nov. 25.
166 Private Banks.....	£4,607,455	£3,980,027	£3,979,549	£3,926,372	£3,898,704
65 Joint Stock Banks..	3,325,857	3,156,359	3,158,733	3,126,001	3,098,501
231 Totals .....	7,933,312	7,136,386	7,138,282	7,052,373	6,997,205

*Average Weekly Circulation of these Banks or the month ending November 25th:—*

Private Banks .....	£3,946,163
Joint-Stock Banks .....	3,134,898

*Average Weekly Circulation of Private and Joint-Stock Banks ending as above £7,081,061*

On a comparison of the above with the Returns for the month ending 28th October last, it shows:—

A decrease in the notes of Private Banks, of .....	£30,369
A decrease in the notes of Joint-Stock Banks, of .....	4,944
Total decrease on the month.....	£25,203

And as compared with the month ending 26th November, 1858, it shows—

A decrease in the notes of Private Banks, of .....	£21,831
An increase in the notes of Joint-Stock Banks, of .....	14,028

Total decrease, as compared with the same period of last year .....

The following is the comparative state of the circulation, as regards the fixed issues—	£7,803
The Private Banks are below their fixed issues.....	£661,292
The Joint-Stock Banks are below their fixed issues.....	190,959
Total below the fixed issues .....	£852,251

## Irish and Scotch Circulation Returns.

*Average Circulation, and Coin held by the IRISH and SCOTCH BANKS during the four weeks ending Saturday, the 25th day of November, 1854.*

### IRISH BANKS.

NAME OF BANK.	Authorised Circulation.	Average Circulation during Four Weeks, ending as above.			Average Amt. of Gold & Silver Coin held during Four Weeks ending as above.
		£5 and upwards.	Under £5.	Total.	
	£	£	£	£	£
Bank of Ireland .....	3,738,428	2,012,300	1,234,350	3,246,650	766,213
Provincial Bank of Ireland	927,667	369,207	639,486	1,008,693	253,250
Belfast Bank .....	281,611	70,147	423,640	493,787	264,863
Northern Bank .....	243,440	39,520	238,734	278,254	89,171
Ulster Bank .....	311,079	62,183	418,836	481,020	199,176
National Bank of Ireland...	761,757	462,547	604,014	1,066,561	399,046
Carriek-on-Suir Nat. Bank	24,084	12,845	14,305	27,150	5,846
Clonmel National Bank ...	66,428	26,845	29,352	56,197	11,296
TOTALS (Irish Banks) ...	6,354,494	3,055,594	3,602,717	6,658,312	1,988,861

### SCOTCH BANKS.

Bank of Scotland .....	300,485	150,880	299,305	450,185	190,592
Boyal Bank of Scotland ...	183,000	77,634	126,334	203,968	53,415
British Linen Company ....	438,024	205,313	342,504	547,818	171,987
Commercial Bk. of Scotland	374,880	188,340	376,110	564,450	253,683
National Bank of Scotland..	297,024	117,490	256,389	373,879	127,316
Union Bank of Scotland and Banking Com. in Aberdeen	415,690	191,455	372,850	564,305	185,889
Edinburgh & Glasgow Bk...	136,657	72,740	104,341	177,081	52,329
Aberdeen Town and Co. Bk.	70,133	40,157	83,140	123,297	60,610
North of Scotland Bk. Co...	154,319	98,827	119,036	217,863	69,112
Dundee Banking Company	33,451	15,932	28,740	44,672	14,342
Eastern Bank of Scotland...	33,636	17,011	27,854	44,865	12,445
Western Bank of Scotland..	337,938	145,930	399,563	545,493	286,495
Clydesdale Banking Co. ...	104,028	57,616	125,407	183,023	95,581
City of Glasgow Bank .....	72,921	87,507	110,935	198,443	139,094
Caledonian Banking Co. ...	53,434	30,156	54,951	85,107	37,364
Perth Banking Company ...	38,656	21,088	37,345	58,434	24,792
Central Bank of Scotland...	42,933	25,525	43,500	69,025	29,708
TOTALS (Scotch Banks)...	3,087,209	1,543,601	2,908,304	4,451,908	1,804,754

# CIRCULATION RETURNS.

## SUMMARY OF IRISH & SCOTCH RETURNS TO NOVEMBER 25, 1854.

The Returns of Circulation of the Irish and Scotch Banks for the four weeks ending 25th November, when added together, give the following as the average weekly circulation of these banks during the past month, viz. :—

Average Circulation of the Irish Banks... £6,648,312  
Average Circulation of the Scotch Banks 4,461,908

Total Average Circulation of these Banks for the past month ..... £11,110,220

On comparing these amounts with the Returns for the month ending 28th October last, they show—

Increase in the Circulation of Irish Banks £315,231  
Increase in the Circulation of Scotch Banks 269,780

Total increase on the month ..... £585,011

And as compared with the month ending November 26th, 1853, they show—

Increase in the Circulation of Irish Banks £279,092  
Increase in the Circulation of Scotch Banks 165,422

Total increase on the year ..... £444,514

The fixed issues of the Irish and Scotch Banks at the present time are given in the *Banking Almanac*, as follows :—

8 Banks in Ireland, allowed to issue... £6,364,494  
18 Banks in Scotland, allowed to issue .. 2,067,290

26 Banks in all, allowed to issue..... £8,431,783

The following appears, therefore, to be the comparative state of the circulation :—

Irish Banks are above their fixed issue .. £313,813  
Scotch Banks are above their fixed issue 1,367,629

Total above the fixed issue ..... £1,681,442

The amounts of Gold and Silver held at the head offices of the several banks, during the past month, have been as follows :—

Gold and Silver held by the Irish Banks £1,908,861  
Gold and Silver held by the Scotch Banks 1,004,734

Total of Gold and Silver Coin ..... £2,913,595

Being an increase of £83,221 on the part of the Irish Banks, and an increase of £27,440 on the part of the Scotch Banks, on the several amounts held by them during the preceding month.

## CIRCULATION OF THE UNITED KINGDOM TO NOVEMBER 25, 1854.

The following is the state of the Note Circulation of the United Kingdom, for the month ending the 25th November, 1854.

Circulation of Notes for the Month ending 25th November, as compared with the previous month :

	Oct. 28.	Nov. 25.	Increase.	Decrease.
Bank of England .....	£20,586,096	£20,117,722	—	£468,374
Private Banks .....	3,966,522	3,946,163	—	20,359
Joint Stock Banks .....	3,139,742	3,154,898	—	4,844
Total in England .....	27,692,360	27,198,783	—	493,577
Scotland .....	4,182,128	4,461,908	£269,780	—
Ireland .....	6,343,081	6,658,312	315,231	—
United Kingdom.....	£38,217,569	£38,309,003	£585,011	£493,577

The comparison of the month ending November 26th, 1853, with the month ending November 25th, 1854, shows a decrease in the Bank of England circulation of £1,818,229, a decrease in Private Banks of £21,831, and an increase in Joint Stock Banks of £14,028; being a total decrease in England of £1,826,032: while in Scotland there is an increase of £165,422; and in Ireland an increase of £279,092. Thus showing that the month ending 25th November, as compared with the same period last year, presents a decrease of £1,826,032 in England, and a decrease of £1,381,518 in the United Kingdom.

The return of Bullion in the Bank of England, for the month ending November 25th, gives an aggregate amount in both departments of £13,577,350. On a comparison of this with the Return for the month ending October 28th, there appears to be an increase of £361,231; and a decrease of £2,033,925 as compared with the same period last year.

The stock of specie held by the Banks in Scotland and Ireland during the month ending 25th November, was £3,793,615; being an increase of £357,661 as compared with the return of the previous month, and an increase of £338,608 as compared with the corresponding period last year.





# Bank of England Weekly Returns.

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the Weeks ending as follows.

## ISSUE DEPARTMENT.

	1854. Dec. 23rd.	1854. Dec. 30th.	1855. Jan. 6th.	1855. Jan. 13th.	1855. Jan. 20th.
Notes issued.....	£ 27,478,185	£ 27,180,835	£ 26,988,455	£ 25,880,560	£ 25,509,215
Government debt.....	11,015,100	11,015,100	11,015,100	11,015,100	11,015,100
Other securities .....	2,984,900	2,984,900	2,984,900	2,984,900	2,984,900
Gold coin and bullion .....	13,478,185	13,180,835	12,988,455	11,880,560	11,509,215
Silver bullion .....	—	—	—	—	—
	27,478,185	27,180,835	26,988,455	25,880,560	25,509,215

## BANKING DEPARTMENT.

	1854. Dec. 23rd.	1854. Dec. 30th.	1855. Jan. 6th.	1855. Jan. 13th.	1855. Jan. 20th.
Proprietors' capital.....	14,553,000	14,553,000	14,553,000	14,553,000	14,553,000
Reserve .....	3,140,652	3,152,753	3,191,567	3,228,009	3,259,437
Public deposits (including Ex- chequer, Savings Banks, Com- missioners of National Debt, and Dividend Accounts) .....	6,560,414	6,695,436	6,391,361	2,294,392	2,257,127
Other deposits .....	10,009,957	10,558,397	9,981,364	10,842,702	10,842,228
Seven day and other bills .....	938,622	892,118	961,420	1,271,406	1,339,613
	35,202,645	35,851,694	35,078,712	32,189,409	31,951,505
Government securities (including Dead Weight Annuity) .....	11,609,583	11,611,553	11,611,600	11,731,427	11,637,721
Other securities .....	14,581,403	15,806,634	15,481,228	14,035,966	14,196,909
Notes .....	8,352,740	7,779,685	7,306,755	6,769,465	6,465,595
Gold and silver coin .....	658,919	653,822	678,929	658,554	655,280
	35,202,645	35,851,694	35,078,712	32,189,409	31,951,505

## The Exchanges.

	Dec. 22nd.	Dec. 29th.	Jan. 5th.	Jan. 12th.	Jan. 19th.
Amsterdam, short ..	11 15½	11 15½	11 15½	11 16	11 15½
Ditto 3 months..	11 17½	11 17½	11 17½	11 17½	11 18
Rotterdam, ditto ..	11 17½	11 17½	11 17½	11 18	11 18
Antwerp, ditto ..	25 32½	25 30	25 27½	25 27½	25 30
Brussels, ditto ..	25 32½	25 30	25 27½	25 27½	25 30
Hamburg, ditto.....	13 5½	13 5½	13 5½	13 5½	13 5½
Paris, short .....	25 12½	25 5	25 5	25 5	25 10
Paris, 3 months .....	25 37½	25 30	25 27½	25 30	25 32½
Marseilles, ditto .....	25 37½	25 30	25 30	25 32½	25 32½
Frankfort, ditto .....	117½	117½	117½	118	117½
Vienna, ditto.....	12 50	12 42	12 45	12 28	12 34
Trieste, ditto.....	12 50	12 45	12 48	12 32	12 35
Petersburgh, ditto ..	35½	35½	35½	35½	36
Madrid, ditto .....	50½	50½	50½	50½	50½
Cadiz, ditto .....	50½	50½	50½	50½	50½
Leghorn, ditto .....	30 60	30 52½	30 55	30 70	30 67½
Genoa, ditto .....	25 57½	25 55	25 52½	25 55	25 52½
Naples, ditto.....	43½	43½	43½	43½	43½
Palermo, ditto .....	131	130½	130½	129½	129½
Messina, ditto .....	131	130½	130½	130	130
Lisbon, 60 days' date	53½	53½	53½	53½	53½
Oporto, ditto .....	53½	53½	53½	53½	53½
Rio Janeiro, ditto ..	—	—	—	—	—

## PRICES OF BULLION.

	Per Ounce.	Per Ounce.	Per Ounce.	Per Ounce.	Per Ounce.
Foreign Gold in Bars. (Standard) .....	£3 17 9	£3 17 9	£3 17 9	£3 17 9	£3 17 9
Mexican Dollars .....	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0
Silver in Bars (Stand.)	0 8 1½	0 8 1½	0 8 1½	0 8 1½	0 8 1½

# Bankers' Weekly Circulation Returns.

Pursuant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTE.

## PRIVATE BANKS.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Dec. 2.	Dec. 9.	Dec. 16.	Dec. 23.
	£	£	£	£	£
1 Andover Bank .....	17,751	14,272	13,562	13,020	12,809
2 Ashford Bank .....	11,849	12,020	11,507	10,702	11,660
3 Aylsham Bank .....	5,854	4,491	4,616	4,559	4,736
4 Aylesbury Old Bank .....	48,461	30,444	30,295	30,316	29,095
5 Baldoek and Biggleswade Bank .....	37,223	29,038	30,027	29,290	30,313
6 Barnstable Bank .....	17,182	9,906	9,592	9,491	9,338
7 Basingstoke and Odiham Bank .....	24,730	18,698	19,560	20,490	20,145
8 Bedford Bank .....	34,218	32,576	32,726	32,959	34,976
9 Bewdley Bank .....	18,597	11,418	11,218	11,378	10,750
10 Bicester and Oxfordshire Bank .....	27,090	13,526	13,978	14,084	13,901
11 Birmingham Bank—Attwoods & Co. ....	23,695	25,108	24,143	23,253	21,427
12 Birmingham and Warwickshire Bk. ....	18,132	9,964	10,443	10,965	11,220
13 Blandford Bank .....	9,723	6,858	6,478	6,289	6,130
14 Boston Bank—Garfit and Co. ....	75,069	74,020	73,830	72,794	73,805
15 Boston Bank—Gee and Co. ....	15,161	14,437	14,685	13,972	14,602
16 Bridgewater Bank .....	10,028	5,628	6,063	6,451	6,402
17 Bristol Bank .....	48,277	38,335	38,712	38,126	38,300
18 Broseley and Bridgenorth Bank .....	26,717	20,719	20,920	20,306	20,624
19 Buckingham Bank .....	29,557	22,638	22,021	22,447	22,024
20 Bury and Suffolk Bank .....	82,362	65,852	66,457	67,240	69,624
21 Banbury Bank .....	43,457	32,957	32,760	32,799	34,341
22 Banbury Old Bank .....	55,153	27,986	26,657	27,778	27,705
23 Bath City Bank .....	4,572	2,672	2,518	2,555	2,125
24 Bedfordshire Leighton Buzzard Bk. ....	36,829	35,382	34,872	36,207	36,511
25 Birmingham Bk.—Taylor & Lloyds .....	38,816	34,533	35,052	35,155	35,009
26 Bradford Old Bank .....	12,676	11,350	10,568	10,810	11,084
27 Brecon Old Bank .....	68,271	63,915	64,183	66,303	66,950
28 Brighton Union Bank .....	33,794	23,246	23,466	22,696	23,127
29 Burlington and Driffield Bank .....	12,745	12,463	11,802	11,618	11,480
30 Bury St. Edmund's Bank .....	3,201	2,657	2,691	2,928	3,153
31 Cambridge Bk.—Mortlock & Co. ....	25,744	15,529	16,048	16,636	17,374
32 Cambridge and Cambridgeshire Bk. ....	49,916	48,740	49,654	48,880	49,748
33 Canterbury Bank .....	33,671	33,083	32,242	32,166	31,333
34 Carmarthen Bank .....	23,597	22,635	23,108	22,698	22,441
35 Chertsey Bank .....	3,436	3,523	3,462	3,000	3,036
36 Colchester Bank .....	25,082	15,118	14,630	15,533	14,543
37 Colchester and Essex Bank .....	48,704	32,014	30,425	30,210	31,211
38 Cornish Bank—Tweedy & Co. ....	49,869	48,939	47,810	46,571	46,189
39 Coventry Bank .....	12,045	6,007	5,940	6,057	6,075
40 City Bank, Exeter .....	21,527	18,301	18,631	18,832	18,855
41 Craven Bank—Alcocks & Co. ....	77,154	72,612	70,466	68,914	67,596
42 Cardiff Bank .....	7,001	6,397	6,920	6,840	6,838
43 Chepstow Old Bank .....	9,387	10,182	8,276	8,025	8,153
44 Derby Bank—Messrs. Evans .....	13,332	10,409	10,476	9,836	10,462
45 Derby Bank—Smith and Co. ....	41,304	40,223	38,106	39,625	39,094
46 Derby Old Bank .....	27,237	25,611	26,329	24,759	25,045
47 Devizes and Wiltshire Bank .....	20,674	8,745	8,850	9,108	9,385
48 Diss Bank .....	10,657	10,106	9,483	9,900	10,447
49 Doncaster Bank and Retford Bank .....	77,400	78,006	75,403	72,572	72,593
50 Darlington Bank .....	86,218	87,582	83,641	84,000	82,932
51 Devonport Bank .....	10,664	8,950	8,960	8,640	8,708
52 Dorchester Old Bank .....	48,807	46,034	45,848	45,724	45,660
53 East Cornwall Bk.—Robins & Co. ....	112,280	103,960	101,033	100,068	100,307
54 East Riding Bank—Bower & Co. ....	53,392	53,532	51,118	51,550	50,109
55 Essex Bk. & Bishops Stortford Bk. ....	69,637	46,578	46,675	45,353	44,722
56 Exeter Bank .....	37,894	27,011	27,139	27,114	27,366
57 Fakenham Bank .....	24,293	20,195	19,720	19,992	20,752

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Dec. 2.	Dec. 9.	Dec. 16.	Dec. 23.
	£	£	£	£	£
58 Faringdon Bk. & Bk. of Wantage	8,977	7,124	7,813	7,810	7,570
59 Farnham Bank.....	14,102	14,134	13,265	12,750	12,002
60 Faversham Bank.....	6,681	6,284	5,829	5,924	5,905
61 Godalming Bank.....	6,322	5,302	5,335	5,416	5,144
62 Guildford Bank.....	14,524	7,670	7,771	7,049	7,380
63 Grantham Bank—Hardy and Co.	30,372	26,918	27,818	27,692	28,546
64 Hastings Old Bank.....	38,038	35,825	34,944	33,163	31,590
65 Hereford City and County Bank..	22,364	18,112	18,260	17,514	16,890
66 Hertford and Ware Bank.....	23,635	21,770	20,960	21,383	22,178
67 Hull & Kingston-upon-Hull Bank	19,979	19,659	20,404	21,030	18,543
68 Huntingdon Town & County Bank	56,591	53,037	52,998	53,761	54,101
69 Harwich Bank.....	5,778	5,404	5,579	5,268	5,335
70 Hemel Hempstead Bank.....	23,842	23,043	22,341	22,702	21,619
71 Hertfordshire, Hitchin Bank.....	38,764	30,397	30,877	31,579	32,886
72 Hereford, Ross, & Archenfield Bk.	27,625	22,685	22,402	22,357	21,190
73 Ipswich Bank.....	21,901	19,800	20,099	20,415	20,683
74 Ipswich & Needham Market Bank	80,699	66,375	65,271	65,233	66,854
75 Kentish Bank—Mercer & Co. ....	19,895	17,145	16,207	16,114	16,245
76 Kington and Radnorshire Bank...	26,050	26,016	24,800	24,426	24,991
77 Knighton Bank.....	9,090	9,084	8,897	9,106	9,171
78 Knaresborough Old Bank.....	21,825	21,979	21,018	20,929	21,126
79 Kendal Bank.....	44,663	42,025	40,005	39,180	40,353
80 Kettering Bank.....	9,192	9,207	9,220	9,185	9,045
81 Lane End Staffordshire Bank...	5,624	5,326	5,458	5,260	5,105
82 Leeds Bank.....	53,357	51,980	51,584	53,014	52,386
83 Leeds Union Bank.....	37,459	36,529	36,414	36,744	36,775
84 Leicester Bank.....	32,322	29,781	30,417	31,175	30,350
85 Lewes Old Bank.....	44,836	29,091	27,508	28,885	27,114
86 Lichfield Bank.....	22,786	9,348	9,233	8,903	8,570
87 Lincoln Bank.....	100,342	95,770	94,038	93,404	94,483
88 Llandovery Bank & Llandilo Bank	32,945	26,706	24,349	23,372	23,154
89 Loughborough Bank.....	7,359	7,412	6,985	7,246	6,959
90 Lymington Bank.....	5,038	3,323	3,267	3,253	3,230
91 Lynn Regis and Lincolnshire Bank	42,817	35,415	35,363	33,515	34,320
92 Lynn Regis and Norfolk Bank.....	13,917	13,293	13,248	12,792	12,802
93 Macclesfield Bank.....	15,760	14,642	14,381	14,416	14,189
94 Manningtree Bank.....	7,692	2,379	2,605	2,475	2,270
95 Merionethshire Bank.....	10,906	8,156	7,805	8,000	10,010
96 Miners' Bank.....	18,688	16,354	17,111	16,395	16,141
97 Monmouthshire Agricultural and Commercial Bank.....	29,335	27,699	29,220	29,226	29,770
98 Monmouth Old Bank.....	16,385	15,780	15,350	15,110	14,345
99 Newark Bank.....	28,788	26,465	27,129	25,772	25,285
100 Newark and Sleaford Bank.....	51,615	51,190	48,700	49,297	50,667
101 Newbury Bank.....	36,787	20,955	21,145	21,211	21,618
102 Newmarket Bank.....	23,098	21,023	20,234	19,011	18,703
103 Norwich Crown Bank and Norfolk and Suffolk Bank.....	49,671	49,207	49,829	48,793	47,877
104 Norwich and Norfolk Bank.....	75,372	69,281	68,274	67,185	68,392
105 Nottingham, Nottinghamshire...	10,866	10,458	10,409	10,264	10,248
106 Nuneaton Bank.....	5,898	3,123	3,303	3,379	3,440
107 Naval Bank, Plymouth.....	27,321	22,895	22,706	22,867	22,829
108 New Sarum Bk.—Everett & Smith	15,659	11,350	11,163	11,224	11,228
109 Nottingham Bank.....	31,047	30,309	30,845	30,534	29,616
110 Oswestry Bank.....	18,471	11,209	12,125	12,326	11,618
111 Oxford Old Bank.....	34,391	32,300	31,439	33,430	34,565
112 Old Bank, Tonbridge.....	13,183	7,826	7,821	7,581	7,588
113 Oxfordshire Witney Bank.....	11,852	11,433	10,773	10,879	10,862
114 Pease's Old Bank, Hull.....	48,807	46,794	45,417	44,758	44,520
115 Penzance Bank.....	11,405	11,460	10,984	10,312	10,694
116 Peterborough Bank—Yorke & Co.	12,545	8,444	8,517	7,359	7,746

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Dec. 2.	Dec. 9.	Dec. 16.	Dec. 23.
	£	£	£	£	£
117 Pembrokeshire Bank .....	12,910	12,979	12,858	12,835	12,677
118 Reading Bank—Simmonds & Co. ....	37,519	27,931	28,662	27,101	28,197
119 Reading Bk.—Stephens & Blandy .....	43,271	26,901	27,170	27,167	28,187
120 Richmond Bank, Richmond .....	6,889	6,650	6,632	6,491	6,587
121 Rochdale Bank .....	5,590	5,230	4,885	4,690	4,460
122 Rochester, Chatham, & Strood Bk. ....	10,480	7,412	7,486	7,479	8,373
123 Royston Bank .....	16,393	13,460	14,033	13,531	13,340
124 Rugby Bank.....	17,250	10,230	10,116	9,861	9,805
125 Rye Bank .....	29,864	17,025	17,338	16,579	16,330
126 Ross Old Bank, Herefordshire ..	4,420	4,046	4,019	3,869	4,023
127 Saffron Walden & North Essex Bk. ....	47,646	29,894	30,360	30,877	31,062
128 Salop Bank .....	22,338	15,140	14,566	15,430	15,260
129 Scarborough Old Bank .....	24,813	24,743	24,615	23,935	23,395
130 Shrewsbury Old Bank.....	43,191	42,568	41,111	41,954	39,273
131 Sittingbourne and Milton Bank....	4,789	3,280	2,965	2,692	2,562
132 Southampton Town & County Bk. ....	18,589	13,397	13,503	12,845	14,785
133 Southwell Bank .....	14,744	14,378	14,473	13,483	13,496
134 Southampton and Hampshire Bk. ....	6,770	3,673	3,627	3,382	3,649
135 Stone Bank .....	9,12	360	360	360	360
136 Stafford Old Bank .....	14,166	11,258	11,115	11,113	11,658
137 Stamford and Rutland Bank .....	31,858	28,401	28,425	27,851	28,267
138 Shrewsbury and Welsh Pool Bank .....	25,336	24,470	24,870	24,750	24,478
139 Taunton Bank .....	29,799	25,744	25,156	24,495	25,088
140 Tavistock Bank .....	13,421	7,416	8,349	8,193	8,336
141 Thornbury Bank.....	10,026	4,146	4,153	4,217	4,615
142 Tiverton and Devonshire Bank .....	13,470	9,705	9,784	9,726	10,119
143 Thrapstone and Kettering Bank .....	11,559	11,244	11,720	11,625	11,449
144 Tring Bank and Chesham Bank..	13,531	12,050	12,166	11,955	11,732
145 Towcester Old Bank .....	10,801	8,334	8,263	8,125	7,771
146 Town and County of Poole Bk. and Ringwood and Poole Bk. ....	11,856	11,596	10,738	11,199	10,818
147 Union Bank, Cornwall .....	17,003	13,833	14,150	12,094	12,323
148 Uxbridge Old Bank .....	25,136	14,102	14,165	14,645	14,922
149 Wallingford Bank .....	17,064	7,967	7,835	7,849	7,758
150 Warwick and Warwickshire Bank .....	30,504	22,022	21,904	20,976	20,777
151 Wellington Bank, Somerset .....	6,528	3,832	3,967	3,698	3,312
152 West Riding Bank .....	46,158	44,637	45,721	46,904	46,201
153 Whitby Old Bank .....	14,258	13,949	13,837	13,700	13,765
154 Winchester, Alresford & Alton Bk. ....	25,892	20,090	19,688	19,831	19,726
155 Weymouth Old Bank .....	16,461	15,278	14,500	14,278	13,622
156 Wirksworth and Derbyshire Bk. ....	37,602	34,956	36,626	35,867	35,241
157 Wisbeach and Lincolnshire Bank .....	59,713	58,998	60,041	57,096	52,990
158 Wiveliscombe Bank.....	7,602	6,023	5,860	6,067	6,432
159 Wolverhampton Bk.—Goodricke .....	14,180	12,573	12,570	11,980	11,629
160 Worcester Bank .....	15,463	6,448	6,295	6,433	6,095
161 Worcester Old Bank .....	87,448	68,251	67,522	70,523	68,401
162 Worcestershire Bank .....	14,309	8,017	8,064	7,638	7,563
163 Wolverham. Bk.—R. & W. Fryer .....	11,867	10,970	11,257	11,441	10,975
164 Yarmouth and Suffolk Bank .....	53,060	43,360	45,384	46,873	49,297
165 Yarmouth, Norfolk, & Suffolk Bk. ....	13,229	12,516	12,779	12,755	13,656
166 York Bank .....	46,387	43,681	42,022	41,211	42,572

## JOINT STOCK BANKS.

1 Bank of Westmoreland.....	12,225	10,170	9,514	9,122	8,803
2 Barnsley Banking Company .....	9,563	9,394	9,304	9,369	9,816
3 Bradford Banking Company .....	49,292	47,180	46,583	46,739	47,069
4 Bilston District Banking Company .....	9,418	7,839	8,717	9,405	10,008
5 Bank of Whitehaven .....	32,681	30,356	29,328	29,535	30,359
6 Bradford Commercial Banking Co. ....	20,084	19,508	18,540	18,392	18,629
7 Barton, Uttoxeter, and Staffordshire Union Bank .....	60,701	51,947	54,304	54,734	57,413

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Dec. 2.	Dec. 9.	Dec. 16.	Dec. 23.
	£	£	£	£	£
8 Chesterfield & N. Derbysh. Bk. Co.	10,421	10,552	10,376	10,153	9,988
9 Cumberland Union Banking Co....	35,395	33,405	33,862	33,607	33,866
10 Cheltenham & Glo'stershire Bk. Co.	12,786	10,106	10,111	9,828	9,741
11 Coventry and Warwickshire Bk. Co.	28,734	23,619	23,333	23,514	23,531
12 Coventry Union Banking Company	16,251	13,643	12,502	12,193	12,826
13 County of Gloucester Banking Co.	144,352	105,318	104,269	103,442	104,055
14 Carlisle & Cumberland Banking Co.	25,610	25,364	23,883	23,145	24,265
15 Carlisle City and District Bank ...	19,972	18,946	19,315	18,923	19,714
16 Dudley & West Bromwich Bk. Co.	37,696	36,208	37,468	37,796	37,219
17 Derby and Derbyshire Banking Co.	20,093	19,294	19,755	19,794	20,151
18 Darlington Dist. Joint Stock Bk. Co.	26,134	24,569	26,205	25,327	25,330
19 East of England Bank .....	25,025	24,360	25,304	24,708	24,625
20 Gloucestershire Banking Company	155,920	153,978	154,946	153,180	147,860
21 Halifax Joint Stock Bank.....	18,534	17,193	17,219	17,407	17,610
22 Huddersfield Banking Company...	37,354	35,001	33,161	34,326	32,362
23 Hull Banking Company .....	29,333	29,644	28,208	27,151	27,179
24 Halifax Commercial Banking Co...	13,733	12,973	12,977	13,459	13,267
25 Halifax & Huddersfield Union Bk.	44,137	42,137	40,214	41,878	40,509
26 Helston Banking Company .....	1,503	1,490	1,525	1,426	1,343
27 Herefordshire Banking Company...	25,047	19,416	21,228	21,254	21,503
28 Knaresborough and Claro Bk. Co.	28,059	28,179	26,452	26,174	28,306
29 Kingsbridge Joint Stock Bank ....	3,952	3,760	4,094	3,785	3,996
30 Lancaster Banking Company .....	64,311	59,965	58,057	55,788	54,088
31 Leeds Banking Company .....	23,076	22,151	23,557	23,405	21,065
32 Leicestershire Banking Company...	86,060	79,309	77,378	76,550	76,866
33 Lincoln and Lindsey Banking Co..	51,620	54,539	51,414	47,190	46,757
34 Leamington Priors and Warwick- shire Bank .....	13,875	10,960	11,460	10,945	10,954
35 Ludlow and Tenbury Bank .....	10,215	9,927	10,391	9,570	9,557
36 Moore & Robinson's Notts. Bank...	35,813	33,496	33,089	31,611	32,510
37 Nottingham and Notts. Banking Co.	29,477	26,877	26,448	25,620	25,751
38 National Provincial Bk. of England	442,371	413,857	414,655	418,926	421,517
39 North Wilts Banking Company ...	63,939	45,770	45,479	46,842	46,451
40 Northamptonshire Union Bank ...	84,356	79,757	79,104	77,225	78,055
41 Northamptonshire Banking Co. ...	26,401	25,860	24,850	24,518	24,389
42 North and South Wales Bank .....	63,951	47,633	46,944	46,200	46,410
43 Pare's Leicestershire Banking Co...	59,300	55,920	54,332	54,009	51,770
44 Saddleworth Banking Company ...	8,122	2,172	2,304	2,039	1,961
45 Sheffield Banking Company.....	35,843	35,864	33,126	32,270	34,680
46 Stamford, Spalding & Boston Bk. Co.	55,721	53,429	52,750	51,284	51,239
47 Stuckey's Banking Company .....	356,976	348,131	348,799	349,657	352,155
48 Shropshire Banking Company.....	47,951	51,040	50,099	46,289	43,330
49 Stourbridge and Kidderminster Bk.	56,830	56,122	56,724	56,998	56,556
50 Sheffield and Hallamshire Bank ...	23,524	24,889	23,714	21,675	21,694
51 Sheffield & Rotherham Jt. Stock Bk.	52,496	53,620	51,512	52,086	51,994
52 Swaledale and Wensleydale Bank..	54,372	51,484	50,330	50,385	51,155
53 Storey and Thomas's Bank .....	9,714	8,940	8,795	9,418	9,865
54 Wolverhampton & Staffordsh. Bk..	35,378	33,973	34,182	33,508	33,086
55 Wakefield and Barnsley Union Bk.	14,604	13,038	13,002	12,503	11,650
56 Whitehaven Joint Stock Bank ...	31,916	28,643	28,808	27,591	25,362
57 Warwick and Leamington Bk. Co.	37,124	28,005	30,085	29,582	30,669
58 West of England and South Wales District Bank .....	83,535	77,679	79,323	77,904	77,008
59 Wilts & Dorset Banking Company	76,162	71,234	69,820	71,925	70,790
60 West Riding Union Banking Co....	34,029	31,932	32,777	32,285	31,887
61 Whitechurch and Ellesmere Bk. Co.	7,475	6,236	5,651	5,710	5,753
62 Worcester City and County Bk. Co.	6,848	6,427	7,329	6,036	5,735
63 York Union Banking Company ...	71,240	70,063	68,473	67,721	69,000
64 York City and County Banking Co.	94,695	92,618	91,428	90,732	92,356
65 Yorkshire Banking Company .....	122,532	117,769	118,475	122,115	124,502

## SUMMARY OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	Dec. 2.	Dec. 9.	Dec. 16.	Dec. 23.
166 Private Banks.....	£4,607,455	£3,885,306	£3,850,702	£3,829,606	£3,830,616
65 Joint Stock Banks..	3,325,857	3,095,978	3,077,421	3,057,878	3,059,677
231 Totals .....	7,933,312	6,981,284	6,928,123	6,887,484	6,890,293

Average Weekly Circulation of these Banks or the month ending December 23rd:—

Private Banks .....	£3,849,057
Joint-Stock Banks .....	3,072,738

Average Weekly Circulation of Private and Joint-Stock Banks ending as above £6,921,795

On a comparison of the above with the Returns for the month ending 25th November last, it shows:—

A decrease in the notes of Private Banks, of .....	£97,106
A decrease in the notes of Joint-Stock Banks, of .....	62,160

Total decrease on the month..... £159,266

And as compared with the month ending 24th December, 1853, it shows—

An increase in the notes of Private Banks, of .....	£39,062
An increase in the notes of Joint-Stock Banks, of .....	16,745

Total increase, as compared with the same period of last year .....

The following is the comparative state of the circulation, as regards the fixed issues—

The Private Banks are below their fixed issues.....	£758,598
The Joint-Stock Banks are below their fixed issues.....	253,119

Total below the fixed issues .....

## Irish and Scotch Circulation Returns.

*Average Circulation, and Coin held by the IRISH and SCOTCH BANKS during the four weeks ending Saturday, the 23rd day of December, 1854.*

### IRISH BANKS.

NAME OF BANK.	Authorised Circulation.	Average Circulation during Four Weeks, ending as above.			Average Amt. of Gold & Silver Coin held during Four Weeks ending as above.
		£s and upwards.	Under £s.	Total.	
	£	£	£	£	£
Bank of Ireland.....	3,738,428	1,948,875	1,311,400	3,260,275	763,699
Provincial Bank of Ireland	927,667	373,757	667,810	1,041,567	283,390
Belfast Bank .....	281,611	70,222	420,974	499,197	278,041
Northern Bank .....	243,440	38,023	239,373	277,396	92,307
Ulster Bank .....	311,079	62,060	431,392	493,452	228,597
National Bank of Ireland...	761,757	450,762	614,241	1,065,004	393,278
Carrick-on-Suir Nat. Bank	24,084	12,510	14,286	26,796	4,259
Clonmel National Bank ...	66,428	28,626	30,336	58,962	10,185
TOTALS (Irish Banks) ...	6,354,494	2,984,835	3,737,812	6,722,649	2,053,756

### SCOTCH BANKS.

Bank of Scotland .....	300,485	137,122	285,169	422,291	193,911
Boyal Bank of Scotland ...	183,000	69,125	120,446	189,571	52,781
British Linen Company .....	438,024	185,592	336,969	522,561	185,343
Commercial Bk. of Scotland	374,880	181,618	359,197	540,816	229,185
National Bank of Scotland..	297,024	115,028	247,435	362,464	113,339
Union Bank of Scotland and Banking Com. in Aberdeen	415,690	214,216	338,148	552,364	191,787
Edinburgh & Glasgow Bk...	136,657	68,662	100,428	169,090	54,302
Aberdeen Town and Co. Bk.	70,133	40,706	83,193	123,899	57,888
North of Scotland Bk. Co...	154,319	100,875	117,833	218,708	76,149
Dundee Banking Company	33,451	15,777	26,234	42,011	14,380
Eastern Bank of Scotland...	33,636	18,085	26,494	44,579	14,406
Western Bank of Scotland..	337,938	144,524	397,186	541,710	283,210
Clydesdale Banking Co. ...	104,028	59,908	116,172	176,081	100,283
City of Glasgow Bank .....	72,921	94,531	105,500	200,031	148,427
Caledonian Banking Co. ....	53,434	29,327	56,287	85,615	37,684
Perth Banking Company ...	38,656	20,842	36,226	57,069	24,628
Central Bank of Scotland...	42,933	26,230	41,005	67,235	30,132
TOTALS (Scotch Banks)...	3,087,209	1,522,168	2,793,922	4,316,095	1,807,835

## CIRCULATION RETURNS.

### SUMMARY OF IRISH & SCOTCH RETURNS TO DECEMBER 23, 1854.

The Returns of Circulation of the Irish and Scotch Banks for the four weeks ending 23rd December, when added together, give the following as the average weekly circulation of these banks during the past month, viz. :—

Average Circulation of the Irish Banks... £6,722,649  
Average Circulation of the Scotch Banks... 4,316,095

Total Average Circulation of these Banks for the past month ..... £11,038,744

On comparing these amounts with the Returns for the month ending 25th November last, they show—

Increase in the Circulation of Irish Banks... £64,337  
Decrease in the Circulation of Scotch Banks... 135,613

Total decrease on the month ..... £71,476

And as compared with the month ending December 24th, 1853, they show—

Increase in the Circulation of Irish Banks... £269,422  
Increase in the Circulation of Scotch Banks... 203,308

Total increase on the year ..... 472,730

The fixed issues of the Irish and Scotch Banks at the present time are given in the *Banking Almanac*, as follows :—

8 Banks in Ireland, allowed to issue... £6,354,400  
18 Banks in Scotland, allowed to issue... 2,067,200

26 Banks in all, allowed to issue..... £9,421,600

The following appears, therefore, to be the comparative state of the circulation :—

Irish Banks are above their fixed issue... £368,135  
Scotch Banks are above their fixed issue... 1,228,606

Total above the fixed issue ..... £1,596,741

The amounts of Gold and Silver held at the head offices of the several banks, during the past month, have been as follows :—

Gold and Silver held by the Irish Banks... £2,653,726  
Gold and Silver held by the Scotch Banks... 1,907,285

Total of Gold and Silver Coin ..... £4,561,011

Being an increase of £64,895 on the part of the Irish Banks, and an increase of £3,661 on the part of the Scotch Banks, on the several amounts held by them during the preceding month.

### CIRCULATION OF THE UNITED KINGDOM TO DECEMBER 23, 1854.

The following is the state of the Note Circulation of the United Kingdom, for the month ending the 23rd December, 1854.

Circulation of Notes for the Month ending 23rd December, as compared with the previous month :

	Nov. 25.	Dec. 23.	Increase.	Decrease.
Bank of England .....	£20,117,722	£19,396,721	—	£721,001
Private Banks .....	3,946,162	3,649,657	—	296,505
Joint Stock Banks .....	3,154,696	3,072,728	—	81,968
Total in England .....	27,198,783	26,118,816	—	1,079,967
Scotland .....	4,451,908	4,316,095	—	135,813
Ireland .....	6,658,912	6,722,649	£64,337	—
United Kingdom .....	£38,309,003	£37,157,560	£64,337	£1,115,600

The comparison of the month ending December 24th, 1853, with the month ending December 23rd, 1854, shows a decrease in the Bank of England circulation of £620,039, an increase in Private Banks of £39,063, and an increase in Joint-Stock Banks of £16,745; being a total decrease in England of £564,231: while in Scotland there is an increase of £203,308; and in Ireland an increase of £269,422. Thus showing that the month ending 23rd December, as compared with the same period last year, presents a decrease of £564,231 in England, and a decrease of £91,501 in the United Kingdom.

The return of Bullion in the Bank of England, for the month ending December 23rd, gives an aggregate amount in both departments of £14,010,362. On a comparison of this with the Return for the month ending December 24th, there appears to be an increase of £433,012; and a decrease of £1,413,668 as compared with the same period last year.

The stock of specie held by the Banks in Scotland and Ireland during the month ending 23rd December, was £3,861,591; being an increase of £67,976 as compared with the return of the previous month, and an increase of £334,201 as compared with the corresponding period last year.

THE ENGLISH FUNDS.—Daily Prices from 27th January to 23rd February, 1855, inclusive.

	27	29	30	31	1	2	3	5	6	7	8	9	10	12	13	14	15	16	17	19	20	21	22	23
Bank Stock (div. 9 per Ct.)	212	212	212	212	212	212	212	212	212	212	212	212	212	212	212	212	212	212	212	212	212	212	212	212
3 per Ct. Red. Anns.	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91
5 per Ct. Consols Anns.	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91
New 3 per cent. Anns.	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91
New 3½ per cent.	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77
New 2½ per cent.	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77
Long Anns. Jan. 5, 1860	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Ditto 30 years, Oct. 10, 1859	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Ditto 30 years, Jan. 5, 1860	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
India Stock (div. 10½ percent.)	223	223	223	223	223	223	223	223	223	223	223	223	223	223	223	223	223	223	223	223	223	223	223	223
Ditto Bonds £1000 (div. 4 p.c.)	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p
Ditto, under £500	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p
South Sea Stock (div. 3½ p.c.)	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91
Bank Stock for ac. 8th March	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p
Ditto, 8th March	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p
Ex. Bills £1000, 21d. per diem	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p
Ditto, £500 do.	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p
Ditto, Small do.	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p
Ditto, Advertised	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p	40p
Ditto Bonds scrip A 1853 3½ p.c.	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½
Ditto Scrip B 1853	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½	90½

JOINT-STOCK BANKS.

	London	Latest Prices
Australasia	£40 sb.,	£81½
British North American	50	50
Commercial of London	100	100
Colonial	100	100
London and Westminster	100	100
London Joint Stock	100	100
Oriental Bank	25	25
Provincial of Ireland	100	100
National Provincial of England	100	100
South Australian	25	25
Union of Australia	25	25
Union of London	50	50
London and County	50	50
London Chartered of Australia	50	50
English, Scottish, and Australia	50	50
Bank of India, China, and	15	15
Australia	2	2
New South Wales	20	20

FOREIGN STOCKS (24th February.)

Brazilian Bonds, 5 per Cent.	100
Chilian Bonds, 6 per Cent.	103
Danish 5 per Cent.	100
Mexican 3 per Cent.	99
Peruvian 4½ per Cent.	31
Portuguese Bonds, 4 per Cent.	70
Russian Bonds, 1822, 5 per Cent. in 4 Stars.	43
Ditto, 14 per Cent.	99
Spanish Bonds 2 per Cent.	36½
Ditto, 3 per Cent. Deferred	184
(Dividends on the above payable in London.)	
Austrian 5 per Cent.	—
Belgian Bonds, 4½ per Cent.	—
Dutch 3½ per Cent.	61½
Ditto 4 per Cent. Loan	94½
French 4½ per Cent., at Paris, Feb. 23, 75f. 60c.	
Ditto 3 per Cent., ditto	66f. 40c.

RAILWAY SHARES.

COMPANY.	Paid up	Price Jan. 27.	Price Feb. 23.
Caledonian	100	101	101
Eastern Counties	20	20	20
Great Northern	100	99½	99½
Great Western	100	67	67
London and Blackwall	12½	8	8
London and Brighton	100	106	106
London and North-West	100	101	100
Midland	100	84½	84½
North British	100	79	79
North-Eastern	100	31	31
South-Eastern	100	59½	59½
York, Newcastle, & Berwick	100	74½	74½
York & North Midland	100	53½	53½

The closing prices of the day are quoted.



# Bank of England Weekly Returns.

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the Weeks ending as follows.

## ISSUE DEPARTMENT.

	1855. Jan. 27th.	1855. Feb. 3rd.	1855. Feb. 10th.	1855. Feb. 17th.
Notes issued.....	£ 25,671,565	£ 26,092,565	£ 26,063,365	£ 26,313,230
Government debt.....	11,015,100	11,015,100	11,015,100	11,015,100
Other securities .....	2,984,900	2,984,900	2,984,900	2,984,900
Gold coin and bullion .....	11,671,565	12,092,565	12,063,365	12,313,230
Silver bullion .....	—	—	—	—
	£ 25,671,565	£ 26,092,565	£ 26,063,365	£ 26,313,230

## BANKING DEPARTMENT.

	1855. Jan. 27th.	1855. Feb. 3rd.	1855. Feb. 10th.	1855. Feb. 17th.
Proprietors' capital.....	£ 14,553,000	£ 14,553,000	£ 14,553,000	£ 14,553,000
Rest .....	3,266,316	3,266,198	3,332,550	3,335,840
Public deposits (including Ex- chequer, Savings Banks, Com- missioners of National Debt, and Dividend Accounts) ....	2,897,554	3,746,512	4,463,869	4,898,662
Other deposits .....	10,698,258	10,583,727	10,047,316	10,174,571
Seven day and other bills .....	1,003,540	958,830	958,691	924,885
	£ 32,420,668	£ 33,102,257	£ 33,355,426	£ 33,857,196
Government securities (including Dead Weight Annuity) .....	11,528,652	11,538,652	11,558,652	11,538,227
Other securities .....	14,330,311	14,590,176	14,566,989	14,384,340
Notes .....	8,888,590	6,866,870	6,535,390	7,067,075
Gold and silver coin .....	683,118	707,059	694,395	667,556
	£ 32,420,668	£ 33,102,257	£ 33,355,426	£ 33,857,196

## The Exchanges.

	Jan. 26th.	Feb. 2nd.	Feb. 9th.	Feb. 16th.
Amsterdam, short ..	11 16½	11 16½	11 16½	11 16½
Ditto 3 months..	11 18	11 18	11 18½	11 18
Rotterdam, ditto ..	11 18	11 18	11 18½	11 18
Antwerp, ditto ..	25 30	25 30	25 30	25 30
Brussels, ditto .....	25 30	25 30	25 30	25 30
Hamburg, ditto.....	13 5½	13 5½	13 5½	13 6½
Paris, short .....	25 12½	25 7½	25 10	25 10
Paris, 3 months .....	25 35	25 32½	25 35	25 35
Marseilles, ditto .....	25 37½	25 35	25 35	25 35
Frankfort, ditto .....	117½	117½	117½	118½
Vienna, ditto.....	12 40	12 45	12 45	12 52
Trieste, ditto.....	12 42	12 45	12 48	12 55
Peterburgh, ditto ..	36	36	35½	35½
Madrid, ditto .....	50½	50½	50	49½
Cadix, ditto .....	50½	50½	50½	50½
Leghorn, ditto .....	30 70	30 70	30 65	30 55
Genoa, ditto .....	25 52½	25 52½	25 55	25 50
Naples, ditto.....	43½	43½	43½	43½
Palermo, ditto.....	130	130½	130½	130½
Messina, ditto .....	130½	130½	130½	131
Lisbon, 60 days' date	53½	53½	53½	53½
Oporto, ditto .....	53½	53½	53½	53½
Rio Janeiro, ditto ..	—	—	—	—

## PRICES OF BULLION.

	Per Ounce.	Per Ounce.	Per Ounce.	Per Ounce.
Foreign Gold in Bars, (Standard).....	£ 3 17 9	£ 3 17 9	£ 3 17 9	£ 3 17 9
Mexican Dollars ....	0 5 0½	0 0 0	0 0 0	0 5 0½
Silver in Bars (Stand.)	0 5 1½	0 5 1½	0 5 1½	0 5 1½

# Bankers' Weekly Circulation Returns.

Pursuant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTES.

## PRIVATE BANKS.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Dec. 30.	Jan. 6.	Jan. 13.	Jan. 20.
	£	£	£	£	£
1 Andover Bank .....	17,751	13,694	12,344	12,737	12,679
2 Ashford Bank .....	11,849	11,405	12,426	11,803	11,374
3 Aylsham Bank .....	5,854	4,759	4,712	4,993	4,671
4 Aylesbury Old Bank .....	48,461	29,540	29,398	30,300	31,087
5 Baldock and Biggleswade Bank ..	37,223	31,611	32,306	32,149	32,176
6 Barnstaple Bank .....	17,182	9,235	9,710	9,405	9,445
7 Basingstoke and Odiham Bank ...	24,730	20,136	20,613	21,286	21,520
8 Bedford Bank .....	34,218	36,592	36,816	33,659	29,722
9 Bewdley Bank .....	18,597	11,169	11,706	11,685	12,486
10 Bicester and Oxfordshire Bank ...	27,090	13,604	13,215	13,512	13,114
11 Birmingham Bank—Attwoods & Co.	23,695	22,770	23,574	22,993	22,770
12 Birmingham and Warwickshire Bk.	18,132	11,195	10,409	10,980	10,872
13 Blandford Bank .....	9,723	6,531	6,932	7,116	7,573
14 Boston Bank—Garfit and Co. ....	75,069	71,395	70,333	72,818	72,067
15 Boston Bank—Gee and Co. ....	15,161	15,266	14,947	14,832	14,726
16 Bridgewater Bank .....	10,028	6,515	6,538	6,573	6,418
17 Bristol Bank .....	48,277	38,180	39,196	40,762	40,450
18 Broseley and Bridgenorth Bank ...	26,717	20,825	21,063	21,379	21,929
19 Buckingham Bank .....	29,557	21,907	21,954	23,033	23,109
20 Bury and Suffolk Bank .....	82,362	71,892	73,895	75,273	75,859
21 Banbury Bank .....	43,457	32,819	32,866	33,360	32,708
22 Banbury Old Bank .....	55,153	26,453	26,001	26,102	25,756
23 Bath City Bank .....	4,572	2,825	2,573	2,689	2,667
24 Bedfordshire Leighton Buzzard Bk.	36,829	36,548	37,937	37,017	34,556
25 Birmingham Bk.—Taylor & Lloyds	38,816	36,503	35,599	37,915	39,743
26 Bradford Old Bank .....	12,676	10,815	11,277	10,668	11,415
27 Brecon Old Bank .....	68,271	68,612	65,449	64,564	63,130
28 Brighton Union Bank .....	33,794	24,428	26,592	27,004	26,587
29 Burlington and Driffield Bank .....	12,745	12,157	12,637	12,542	12,163
30 Bury St. Edmund's Bank .....	3,201	3,487	3,834	3,197	2,020
31 Cambridge Bk.—Mortlock & Co.	25,744	16,729	18,218	18,708	18,024
32 Cambridge and Cambridgeshire Bk.	49,916	49,013	49,880	48,903	49,771
33 Canterbury Bank .....	33,671	30,996	32,618	34,828	34,235
34 Carmarthen Bank .....	23,597	22,436	22,494	23,534	23,972
35 Chertsey Bank .....	3,436	3,048	3,380	3,302	3,148
36 Colchester Bank .....	25,082	15,500	16,254	16,540	16,256
37 Colchester and Essex Bank .....	48,704	33,246	34,309	34,306	34,181
38 Cornish Bank—Tweedy & Co. ...	49,869	47,478	47,646	47,849	48,016
39 Coventry Bank .....	12,045	6,130	6,322	6,754	6,991
40 City Bank, Exeter .....	21,527	19,160	19,265	20,603	20,333
41 Craven Bank—Alcocks & Co. ...	77,154	65,195	64,775	67,278	68,083
42 Cardiff Bank .....	7,001	6,629	6,501	7,057	7,253
43 Chepstow Old Bank .....	9,387	8,705	9,071	9,492	9,327
44 Derby Bank—Messrs. Evans .....	13,332	10,846	10,989	11,861	12,782
45 Derby Bank—Smith and Co. ....	41,304	39,485	39,354	39,590	39,261
46 Derby Old Bank .....	27,237	25,023	26,754	27,397	28,005
47 Devizes and Wiltshire Bank .....	20,674	9,416	9,800	9,819	10,913
48 Diss Bank .....	10,657	10,316	9,908	9,767	10,468
49 Doncaster Bank and Retford Bank	77,400	71,767	74,686	76,048	76,105
50 Darlington Bank ..	86,218	83,475	84,666	85,609	84,800
51 Devonport Bank .....	10,664	9,501	9,895	9,822	9,868
52 Dorechester Old Bank .....	48,807	46,510	47,502	48,434	50,020
53 East Cornwall Bk.—Robins & Co.	112,280	98,539	98,143	100,278	101,132
54 East Riding Bank—Bower & Co.	53,392	51,160	55,590	51,015	48,268
55 Essex Bk. & Bishops Stortford Bk.	69,637	44,570	46,808	48,813	47,717
56 Exeter Bank .....	37,894	29,215	30,108	31,675	31,676
57 Fakenham Bank .....	24,293	20,521	21,424	21,938	21,651

**WEEKLY RETURNS OF BANKS OF ISSUE.**

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT.			
		Dec. 30.	Jan. 6.	Jan. 12.	Jan. 20.
	£	£	£	£	£
58 Faringdon Bk. & Bk. of Wantage	8,977	7,820	8,205	8,552	7,893
59 Farnham Bank	14,202	11,760	12,122	12,024	12,125
60 Faversham Bank	6,681	6,253	6,561	6,391	6,280
61 Godalming Bank	6,322	5,327	5,040	5,192	5,159
62 Guildford Bank	14,524	7,640	8,420	8,414	8,124
63 Grantham Bank—Hardy and Co.	30,372	29,097	30,219	30,332	29,241
64 Hastings Old Bank	38,038	33,300	34,175	35,686	35,640
65 Hereford City and County Bank	22,364	16,688	17,255	17,880	16,937
66 Hertford and Ware Bank	23,635	23,732	22,964	22,817	22,390
67 Hull & Kingston-upon-Hull Bank	19,979	19,307	20,780	20,791	18,661
68 Huntingdon Town & County Bank	56,591	53,245	54,760	53,327	51,334
69 Harwich Bank	5,778	5,302	5,736	6,049	5,477
70 Hemel Hempstead Bank	23,842	23,443	23,868	24,005	23,925
71 Hertfordshire, Hitchin Bank	38,764	33,205	33,628	33,637	33,037
72 Hereford, Ross, & Archenfield Bk.	27,625	20,440	21,043	21,886	21,303
73 Ipswich Bank	21,901	21,574	21,969	21,942	21,200
74 Ipswich & Needham Market Bank	80,699	67,849	70,288	68,626	67,023
75 Kentish Bank—Mercer & Co.	19,895	15,741	16,766	18,074	19,302
76 Kingston and Radnorshire Bank	26,050	25,553	25,180	24,711	23,580
77 Knighton Bank	9,090	9,016	8,914	8,857	9,374
78 Knaresborough Old Bank	21,825	21,043	20,739	20,827	21,525
79 Kendal Bank	44,663	38,115	37,865	38,286	36,970
80 Kettering Bank	9,192	8,750	8,982	9,500	9,440
81 Lane End Staffordshire Bank	5,024	5,288	5,447	5,431	4,972
82 Leeds Bank	53,357	51,483	52,792	54,430	54,016
83 Leeds Union Bank	37,459	36,788	37,155	37,739	37,646
84 Leicester Bank	32,322	30,427	30,090	29,957	31,396
85 Lewes Old Bank	44,836	26,976	28,124	28,903	29,045
86 Lichfield Bank	22,786	8,334	9,440	9,652	10,055
87 Lincoln Bank	100,342	95,532	98,383	99,910	98,650
88 Llandoverly Bank & Llandilo Bank	32,945	23,106	21,480	19,723	18,245
89 Loughborough Bank	7,359	6,805	6,777	7,112	7,144
90 Lymington Bank	5,038	3,250	3,578	3,983	4,124
91 Lynn Regis and Lincolnshire Bank	42,817	35,617	37,105	38,737	38,351
92 Lynn Regis and Norfolk Bank	13,917	13,365	13,129	12,640	11,338
93 Macclesfield Bank	15,760	14,303	14,331	14,622	14,975
94 Marnington Bank	7,692	2,240	2,786	3,116	2,830
95 Merionethshire Bank	10,906	8,935	8,152	8,041	7,574
96 Miners' Bank	18,688	16,708	18,206	18,659	18,095
97 Monmouthshire Agricultural and Commercial Bank	29,335	28,944	30,216	30,538	26,686
98 Monmouth Old Bank	16,384	13,747	13,196	12,965	11,996
99 Newark Bank	28,788	24,745	25,010	26,356	26,474
100 Newark and Sleaford Bank	51,615	48,224	51,110	52,276	50,261
101 Newbury Bank	36,787	22,193	22,385	22,630	22,393
102 Newmarket Bank	23,098	13,558	18,461	18,870	19,723
103 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	50,200	49,011	47,842	48,974
104 Norwich and Norfolk Bank	75,372	70,857	75,710	76,398	70,501
105 Nottingham, Nottinghamshire	10,866	9,898	9,784	10,038	9,938
106 Nuneaton Bank	5,898	3,572	3,448	3,349	3,183
107 Naval Bank, Plymouth	27,321	23,426	24,947	26,505	27,920
108 New Sarum Bk.—Everett & Smith	15,659	11,514	11,952	12,466	13,404
109 Nottingham Bank	31,047	29,573	29,400	30,027	31,229
110 Oswestry Bank	18,471	10,862	10,869	11,172	10,928
111 Oxford Old Bank	34,391	28,503	33,898	32,678	32,098
112 Old Bank, Tonbridge	13,183	7,754	8,099	8,720	9,072
113 Oxfordshire Witney Bank	11,852	10,280	10,800	11,273	10,857
114 Pease's Old Bank, Hull	48,807	45,531	47,281	46,927	47,203
115 Penzance Bank	11,405	10,849	11,064	11,452	10,960
116 Peterborough Bank—Yorke & Co.	12,545	7,836	7,923	8,742	8,096

# WEEKLY RETURNS OF RANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Dec. 30.	Jan. 6.	Jan. 13.	Jan. 20.
	£	£	£	£	£
117 Pembrokeshire Bank .....	12,910	12,705	12,870	12,490	12,170
118 Reading Bank—Simmonds & Co. ....	37,519	29,951	30,355	31,143	30,991
119 Reading Bk.—Stephens & Blandy .....	43,271	29,046	29,652	29,490	30,605
120 Richmond Bank, Richmond .....	6,889	6,593	6,995	6,943	6,548
121 Rochdale Bank .....	5,590	4,263	4,776	5,051	5,310
122 Rochester, Chatham, & Strood Bk. ....	10,480	8,832	8,877	8,739	7,973
123 Royston Bank .....	16,393	13,513	13,585	14,031	13,410
124 Rugby Bank .....	17,250	9,891	10,166	10,310	9,386
125 Rye Bank .....	29,864	15,430	15,856	16,165	16,548
126 Ross Old Bank, Herefordshire ...	4,420	4,027	3,862	4,381	4,772
127 Saffron Walden & North Essex Bk. ....	47,646	32,931	35,273	35,891	34,893
128 Salop Bank .....	22,338	16,075	16,222	16,890	16,404
129 Scarborough Old Bank .....	24,813	23,878	24,400	24,666	24,723
130 Shrewsbury Old Bank .....	42,191	39,253	41,121	43,341	42,463
131 Sittingbourne and Milton Bank .....	4,789	2,934	2,865	2,723	2,803
132 Southampton Town & County Bk. ....	18,589	14,622	16,509	17,412	16,439
133 Southwell Bank .....	14,744	12,742	13,584	13,951	13,709
134 Southampton and Hampshire Bk. ....	6,770	4,040	4,513	4,617	4,546
135 Stone Bank .....	9,15	360	360	360	360
136 Stafford Old Bank .....	14,166	12,520	12,947	13,512	12,993
137 Stamford and Rutland Bank .....	31,858	28,911	29,330	30,470	31,815
138 Shrewsbury and Welsh Pool Bank .....	25,336	24,104	23,319	23,930	25,050
139 Taunton Bank .....	29,799	25,537	25,216	24,559	24,950
140 Tavistock Bank .....	13,421	7,918	7,973	9,665	9,134
141 Thornbury Bank .....	10,026	4,879	4,846	4,711	4,662
142 Tiverton and Devonshire Bank .....	13,470	10,476	10,960	10,490	9,856
143 Thrapstone and Kettering Bank .....	11,559	11,462	11,632	11,301	11,569
144 Tring Bank and Chesham Bank .....	13,531	12,128	13,039	12,783	13,105
145 Towcester Old Bank .....	10,801	7,938	8,262	8,691	8,685
146 Town and County of Poole Bk. and Ringwood and Poole Bk. ....	11,856	11,151	11,537	11,720	12,307
147 Union Bank, Cornwall .....	17,003	12,478	12,919	14,215	12,224
148 Uxbridge Old Bank .....	25,136	14,982	15,220	16,512	16,505
149 Wallingford Bank .....	17,064	7,922	8,296	8,514	8,078
150 Warwick and Warwickshire Bank .....	30,504	21,057	21,807	23,572	23,939
151 Wellington Bank, Somerset .....	6,528	3,258	3,443	3,421	3,361
152 West Riding Bank .....	46,158	45,255	48,257	47,136	43,421
153 Whithy Old Bank .....	14,258	14,142	14,494	14,058	13,918
154 Winchester, Alresford & Alton Bk. ....	25,892	20,013	20,354	20,282	21,305
155 Weymouth Old Bank .....	16,461	13,779	13,685	14,825	16,231
156 Wirksworth and Derbyshire Bk. ....	37,602	36,007	37,256	36,869	37,051
157 Wisbeach and Lincolnshire Bank .....	59,713	55,972	56,060	56,021	55,435
158 Wiveliscombe Bank .....	7,602	6,593	6,992	7,282	7,721
159 Wolverhampton Bk.—Goodricke .....	14,180	11,805	11,561	13,366	12,255
160 Worcester Bank .....	15,463	6,645	6,716	7,172	7,612
161 Worcester Old Bank .....	87,448	68,075	68,811	69,447	70,818
162 Worcestershire Bank .....	14,309	8,272	8,631	8,796	8,768
163 Wolverham. Bk.—R. & W. Fryer .....	11,867	11,374	11,505	11,134	10,685
164 Yarmouth and Suffolk Bank .....	53,060	50,027	50,885	51,021	53,619
165 Yarmouth, Norfolk, & Suffolk Bk. ....	13,229	13,050	12,974	12,744	11,955
166 York Bank .....	46,387	42,424	43,247	43,348	44,152

## JOINT STOCK BANKS.

1 Bank of Westmoreland .....	12,225	8,690	8,078	8,123	8,117
2 Barnsley Banking Company .....	9,563	9,156	9,548	9,850	9,430
3 Bradford Banking Company .....	49,292	45,628	48,151	50,058	50,901
4 Bilston District Banking Company .....	9,418	9,987	9,125	9,310	8,080
5 Bank of Whitehaven .....	32,681	30,258	31,123	31,483	31,084
6 Bradford Commercial Banking Co. ....	20,084	18,323	18,445	19,713	23,078
7 Barton, Uttoxeter, and Staffordshire Union Bank .....	60,701	60,224	62,107	60,627	56,586

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Dec. 30.	Jan. 6.	Jan. 13.	Jan.
	£	£	£	£	
8 Chesterfield & N. Derbysh. Bk. Co.	10,421	9,845	10,031	10,290	10,
9 Cumberland Union Banking Co....	35,395	34,009	33,576	34,612	34,
10 Cheltenham & Glo'stershire Bk. Co.	12,786	9,662	9,507	10,253	10,
11 Coventry and Warwickshire Bk. Co.	28,734	25,062	24,740	26,370	25,
12 Coventry Union Banking Company	16,251	13,387	14,858	15,117	15,
13 County of Gloucester Banking Co.	144,352	103,418	108,830	110,003	111,
14 Carlisle & Cumberland Banking Co.	25,610	24,678	25,329	25,736	25,
15 Carlisle City and District Bank ...	19,972	19,579	20,088	20,625	19,
16 Dudley & West Bromwich Bk. Co.	37,696	37,608	36,693	38,212	36,
17 Derby and Derbyshire Banking Co.	20,093	20,526	19,192	19,410	19,
18 Darlington Dist. Joint Stock Bk. Co.	26,134	24,779	24,015	24,085	23,
19 East of England Bank .....	25,025	25,292	24,490	24,640	24,
20 Gloucestershire Banking Company	155,920	149,831	152,761	151,043	153,
21 Halifax Joint Stock Bank.....	18,534	17,409	17,553	17,468	17,
22 Huddersfield Banking Company...	37,354	31,630	32,023	40,104	41,
23 Hull Banking Company .....	29,333	27,077	28,250	30,560	29,
24 Halifax Commercial Banking Co...	13,733	12,925	13,302	13,469	14,
25 Halifax & Huddersfield Union Bk.	44,137	39,292	40,500	44,786	46,
26 Helston Banking Company .....	1,503	1,360	1,453	1,430	1,
27 Herefordshire Banking Company..	25,047	20,048	19,416	19,855	20,
28 Knaresborough and Claro Bk. Co.	28,059	27,173	28,012	28,397	27,
29 Kingsbridge Joint Stock Bank ....	3,952	4,150	4,002	3,840	3,
30 Lancaster Banking Company .....	64,311	51,377	52,678	55,063	57,
31 Leeds Banking Company .....	23,076	23,215	23,315	23,300	22,
32 Leicestershire Banking Company...	86,060	75,031	76,280	78,927	80,
33 Lincoln and Lindsey Banking Co...	51,620	48,121	50,185	55,054	52,
34 Leamington Priors and Warwick- shire Bank .....	13,875	11,124	11,641	13,019	13,
35 Ludlow and Tenbury Bank .....	10,215	9,665	9,855	10,078	9,
36 Moore & Robinson's Notts. Bank...	35,813	34,142	33,391	33,662	33,
37 Nottingham and Notts. Banking Co.	29,477	25,568	25,388	25,852	25,
38 National Provincial Bk. of England	442,371	421,470	432,750	442,790	427,
39 North Wilts Banking Company ...	63,939	44,347	44,633	44,329	44,
40 Northamptonshire Union Bank ...	84,356	76,267	79,731	81,574	79,
41 Northamptonshire Banking Co. ...	26,401	23,785	23,908	25,678	25,
42 North and South Wales Bank .....	63,951	42,816	41,006	40,992	39,
43 Pare's Leicestershire Banking Co...	59,300	49,734	50,582	51,600	52,
44 Saddleworth Banking Company ...	8,122	1,936	2,091	2,161	2,
45 Sheffield Banking Company.....	35,843	36,780	33,631	34,923	35,
46 Stamford, Spalding & Boston Bk. Co.	55,721	50,723	51,778	53,593	54,
47 Stuckey's Banking Company .....	356,976	353,662	358,270	353,298	338,
48 Shropshire Banking Company.....	47,951	42,549	43,729	42,424	41,
49 Stourbridge and Kidderminster Bk.	56,830	57,117	56,416	56,298	55,
50 Sheffield and Hallamshire Bank ...	23,524	23,747	21,700	23,136	24,
51 Sheffield & Rotherham Jt. Stock Bk.	52,496	51,491	50,458	53,451	53,
52 Swaledale and Wensleydale Bank..	54,372	50,858	50,611	49,529	49,
53 Storey & Thomas's Bank .....	9,714	10,167	9,772	9,305	9,
54 Wolverhampton & Staffordsh. Bk...	35,378	32,068	34,179	35,084	33,
55 Wakefield and Barnsley Union Bk.	14,604	11,646	12,304	13,234	13,
56 Whitehaven Joint Stock Bank ...	31,916	25,756	26,621	27,501	27,
57 Warwick and Leamington Bk. Co.	37,124	31,113	31,647	32,455	32,
58 West of England and South Wales District Bank .....	83,535	76,878	77,906	80,218	78,
59 Wilts & Dorset Banking Company	76,162	70,953	71,381	74,200	76,
60 West Riding Union Banking Co....	34,029	31,263	32,220	34,135	33,
61 Whitechurch and Ellesmere Bk. Co.	7,475	6,533	6,822	6,926	6,
62 Worcester City and County Bk. Co.	6,848	5,708	6,875	7,271	6,
63 York Union Banking Company .....	71,240	69,360	71,492	72,886	69,
64 York City and County Banking Co.	94,695	93,940	95,048	94,640	92,
65 Yorkshire Banking Company .....	122,532	123,979	123,397	114,620	110,

## SUMMARY OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	Dec. 30.	Jan. 6.	Jan. 13.	Jan. 20.
166 Private Banks.....	£4,607,455	£3,869,240	£3,938,529	£3,997,483	£3,960,598
65 Joint Stock Banks..	3,325,857	3,055,935	3,098,919	3,152,675	3,109,642
231 Totals .....	7,933,312	6,925,175	7,037,448	7,150,158	7,070,240

*Average Weekly Circulation of these Banks or the month ending January 20th:—*

Private Banks .....	£3,941,462
Joint-Stock Banks .....	3,104,293

*Average Weekly Circulation of Private and Joint-Stock Banks ending as above £7,045,755*

*On a comparison of the above with the Returns for the month ending 23rd December last, it shows:—*

An increase in the notes of Private Banks, of .....	£98,405
An increase in the notes of Joint-Stock Banks, of .....	31,555
Total increase on the month .....	£123,960

*And, as compared with the month ending 21st January, 1854, it shows—*

An increase in the notes of Private Banks, of .....	£27,581
An increase in the notes of Joint-Stock Banks, of .....	22,812

*Total increase, as compared with the same period of last year .....* £50,393

*The following is the comparative state of the circulation, as regards the fixed issues—*

The Private Banks are below their fixed issues.....	£665,993
The Joint-Stock Banks are below their fixed issues.....	221,564
Total below the fixed issues .....	£887,557

## Irish and Scotch Circulation Returns.

*Average Circulation, and Coin held by the IRISH and SCOTCH BANKS during the four weeks ending Saturday the 20th day of January, 1855.*

### IRISH BANKS.

NAME OF BANK.	Authorised Circulation.	Average Circulation during Four Weeks, ending as above.			Average Am't. of Gold & Silver Coin held during Four Weeks ending as above.
		£ and upwards.	Under £s.	Total.	
	£	£	£	£	£
Bank of Ireland.....	3,738,428	2,010,225	1,306,900	3,317,125	768,002
Provincial Bank of Ireland	927,667	374,250	670,445	1,044,695	294,891
Belfast Bank .....	281,611	64,347	417,665	482,013	288,613
Northern Bank .....	243,440	37,075	231,672	268,747	96,449
Ulster Bank .....	311,079	61,137	424,045	485,182	234,024
National Bank of Ireland...	761,757	441,118	609,063	1,050,181	406,676
Carrick-on-Suir Nat. Bank	24,084	12,260	13,849	26,109	4,077
Clonmel National Bank ...	66,428	28,155	30,413	58,568	9,746
TOTALS (Irish Banks) ...	6,354,494	3,028,567	3,704,052	6,732,620	2,102,478

### SCOTCH BANKS.

Bank of Scotland .....	300,485	133,416	268,134	401,550	172,488
Boyal Bank of Scotland ...	183,000	70,531	119,710	190,241	52,807
British Linen Company .....	438,024	174,460	318,693	493,153	194,320
Commercial Bk. of Scotland	374,880	165,995	338,545	504,540	194,616
National Bank of Scotland..	297,024	109,350	236,763	346,113	119,208
Union Bank of Scotland and Banking Com. in Aberdeen	415,690	190,984	349,557	540,541	192,834
Edinburgh & Glasgow Bk...	136,657	69,494	94,172	163,666	57,547
Aberdeen Town and Co. Bk.	70,133	36,737	74,346	111,083	49,329
North of Scotland Bk. Co...	154,319	85,591	104,550	190,141	59,177
Dundee Banking Company	33,451	13,441	23,672	37,113	14,041
Eastern Bank of Scotland...	33,636	18,655	24,318	42,973	16,607
Western Bank of Scotland..	337,938	161,585	388,909	550,494	291,687
Clydesdale Banking Co. ...	104,028	56,167	112,176	168,344	82,984
City of Glasgow Bank .....	72,921	90,760	104,771	195,531	141,984
Caledonian Banking Co. ...	53,434	22,578	50,243	72,822	32,139
Perth Banking Company ...	38,656	18,698	32,074	50,771	24,972
Central Bank of Scotland...	42,933	21,310	39,137	60,447	27,361
TOTALS (Scotch Banks)...	3,087,209	1,439,752	2,679,768	4,119,523	1,724,101

## CIRCULATION RETURNS.

### SUMMARY OF IRISH & SCOTCH RETURNS TO JANUARY 20, 1855.

The Returns of Circulation of the Irish and Scotch Banks for the four weeks ending 20th January, when added together, give the following as the average weekly circulation of these banks during the past month, viz:—

Average Circulation of the Irish Banks... £6,732,690  
Average Circulation of the Scotch Banks 4,119,523

Total Average Circulation of these Banks for the past month .....£10,852,143

On comparing these amounts with the Returns for the month ending 23rd December last, they show—

Increase in the Circulation of Irish Banks £9,971  
Decrease in the Circulation of Scotch Banks 196,572

Total decrease on the month .....£186,601

And, as compared with the month ending January 21st, 1854, they show—

Increase in the Circulation of Irish Banks £192,891  
Increase in the Circulation of Scotch Banks 121,397

Total increase on the year .....314,288

The fixed issues of the Irish and Scotch Banks at the present time are given in the *Banking Almanac*, as follows:—

8 Banks in Ireland, allowed to issue... £6,354,45  
18 Banks in Scotland, allowed to issue .. 3,667,30

26 Banks in all, allowed to issue.....£9,441,75

The following appears, therefore, to be the comparative state of the circulation:—

Irish Banks are above their fixed issue .. £37,125  
Scotch Banks are above their fixed issue 1,892,311

Total above the fixed issue .....£21,413,40

The amounts of Gold and Silver held at the head offices of the several banks, during the past month, have been as follows:—

Gold and Silver held by the Irish Banks £2,162,47  
Gold and Silver held by the Scotch Banks 1,724,16

Total of Gold and Silver Coin .....£3,886,63

Being an increase of £48,722 on the part of the Irish Banks, and a decrease of £83,734 on the part of the Scotch Banks, on the several amounts held by them during the preceding month.

### CIRCULATION OF THE UNITED KINGDOM TO JANUARY 20, 1855.

The following is the state of the Note Circulation of the United Kingdom, for the month ending the 20th January, 1855.

Circulation of Notes for the Month ending 20th January, as compared with the previous month:—

	Dec. 23.	Jan. 20.	Increase.	Decrease.
Bank of England .....	£19,296,721	£19,811,391	£514,670	—
Private Banks .....	3,849,057	3,941,462	92,405	—
Joint Stock Banks .....	3,072,738	3,104,293	31,555	—
Total in England .....	26,218,516	26,857,146	638,630	—
Scotland .....	4,316,095	4,119,523	—	£196,572
Ireland .....	6,722,649	6,732,620	9,971	—
United Kingdom .....	£37,257,260	£37,709,289	£448,601	£196,572

The comparison of the month ending January 21st, 1854, with the month ending January 20th, 1855, shows a decrease in the Bank of England circulation of £1,848,204, an increase in Private Banks of £27,581, and an increase in Joint-Stock Banks of £22,812; being a total decrease in England of £1,797,811; while in Scotland there is an increase of £121,397; and in Ireland an increase of £192,891. Thus showing that the month ending 20th January, as compared with the same period last year, presents a decrease of £1,797,811 in England, and a decrease of £1,483,523 in the United Kingdom.

The return of Bullion in the Bank of England, for the month ending January 20th, gives an aggregate amount in both departments of £13,050,912. On a comparison of this with the Return for the month ending December 23rd, there appears to be a decrease of £959,450; and a decrease of £2,911,430 as compared with the same period last year.

The stock of specie held by the Banks in Scotland and Ireland during the month ending 20th January, was £3,826,579; being a decrease of £35,012 as compared with the return of the previous month, and an increase of £387,661 as compared with the corresponding period last year.

**THE ENGLISH FUNDS.**—*Daily Prices from 24th February to 27th March, 1855, inclusive.*

[illegible]

**JOINT-STOCK BANKS.**

	£10 sh.	£10	0 pd.	£84
Australia	-	-	-	-
British North American	-	50	50	03
Colonial of London	-	100	25	0
Colonial	-	100	25	0
London and Westminster	-	100	20	0
London Joint Stock	-	50	10	0
Oriental Bank	-	25	25	0
Provincial of Ireland	-	100	25	0
National of London	-	50	22	10
National Provincial of England	-	100	35	0
South Australian	-	25	25	0
Union of Australia	-	25	25	0
London and County	-	50	10	0
London Chartered of Australia	-	50	20	0
English, Scottish, and Australian Chartered	-	20	20	0
Bank of India, China, and Australia	-	20	18	0
New South Wales	-	20	2	0
New South Wales	-	20	2	0

## FOREIGN STOCKS

Brazilian Bonds, 5 per Cent.	100
Chilian Bonds, 6 per Cent.	99
Danish 5 per Cent.	103
Mexican 3 per Cent.	99
Peruvian 4½ per Cent.	20½
Portuguese Bonds, 4 per Cent.	71
Russian Bonds, 1822, 5 per Cent.	42
Russian Bonds, 1822, 5 per Cent.	99½
Spanish Bonds, 4 per Cent.	87½
Spanish Bonds, 3 per Cent.	86¾
Swiss Bonds, 4 per Cent.	18½
(Dividends on the above payable in London.)	
Austrian 5 per Cent.	—
Belgian Bonds, 4½ per Cent.	62½
Dutch 2½ per Cent.	99
Ditto 4 per Cent.	100
French 4½ per Cent.	96
French 3 per Cent., at Paris, Mar. 26, 1857.	70½
Ditto	70½

## RAILWAY SHARES.

COMPANY.	Paid up	Prices Feb. 21.	Prices Mar. 21.
Caledonian .. ..	100	63	64
Eastern Counties .. ..	20	11	11
Great Northern .. ..	100	89	88
Great Western .. ..	100	65	65
London and Brighton ..	114	7	7
London and Blackwall ..	100	87	98
London and North-West ..	100	160	99
Midland .. ..	100	80	83
North British .. ..	100	69	69
South-Eastern .. ..	100	59	59
York, Newcastle, & Berwick ..	100	74	71
York & North Midland ..	100	50	49

The closing prices of the day are quoted.



# Bank of England Weekly Returns.

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the Weeks ending as follows.

## ISSUE DEPARTMENT.

	1855. Feb. 24th.	1855. Mar. 3rd.	1855. Mar. 10th.	1855. Mar. 17th.
	£	£	£	£
Notes issued.....	26,362,055	26,512,985	26,911,880	27,479,975
Government debt.....	11,015,100	11,015,100	11,015,100	11,015,100
Other securities .....	2,984,900	2,984,900	2,984,900	2,984,900
Gold coin and bullion .....	12,362,055	12,512,985	12,911,880	13,479,975
Silver bullion .....	—	—	—	—
	26,362,055	26,512,985	26,911,880	27,479,975

## BANKING DEPARTMENT.

	1855. Feb. 24th.	1855. Mar. 3rd.	1855. Mar. 10th.	1855. Mar. 17th.
	£	£	£	£
Proprietors' capital.....	14,553,000	14,553,000	14,553,000	14,553,000
Reserve .....	3,303,241	3,634,524	3,639,849	3,644,317
Public deposits (including Ex- chequer, Savings Banks, Com- missioners of National Debt, and Dividend Accounts) ....	4,858,455	5,033,184	4,828,237	5,077,843
Other deposits .....	10,449,182	10,607,057	11,149,103	11,155,862
Seven day and other bills .....	883,850	903,059	906,730	891,692
	34,044,728	34,730,824	35,076,919	35,322,714
Government securities (including Dead Weight Annuity) .....	11,339,540	11,626,463	11,542,385	11,583,885
Other securities .....	14,322,433	13,012,789	14,880,844	14,521,896
Notes .....	7,300,185	7,414,730	7,944,050	8,495,965
Gold and silver coin .....	682,571	676,849	709,640	721,268
	34,044,728	34,730,824	35,076,919	35,322,714

## The Exchanges.

	Feb. 23rd.	Mar. 2nd.	Mar. 9th.	Mar. 16th.
Amsterdam, short ..	11 16½	11 16½	11 16½	11 17
Ditto 3 months..	11 18	11 18½	11 18½	11 19
Rotterdam, ditto ..	11 18½	11 18½	11 18½	11 19
Antwerp, ditto ..	25 30	25 30	25 37½	25 40
Brussels, ditto .....	25 30	25 30	25 37½	25 40
Hamburg, ditto.....	13 6½	13 6½	13 6½	13 7½
Paris, short .....	25 12½	25 15	25 15	25 20
Paris, 3 months .....	25 52½	25 40	25 42½	25 50
Marseilles, ditto .....	25 35	25 40	25 45	25 50
Frankfort, ditto ....	118½	118½	118½	118½
Vienna, ditto.....	13 0	12 55	12 40	12 38
Trieste, ditto.....	13 0	12 55	12 45	12 40
Petersburgh, ditto ..	35½	35½	35½	35½
Madrid, ditto .....	49½	49½	49½	49½
Cadix, ditto .....	50½	50½	50½	50½
Leghorn, ditto .....	30 55	30 55	30 55½	30 60
Genoa, ditto .....	25 52½	25 55	25 52½	25 55
Naples, ditto .....	43½	43½	43½	43½
Palermo, ditto .....	130	131	130½	130½
Messina, ditto .....	130½	131½	131	130½
Lisbon, 60 days' date	53½	53½	53½	53½
Oporto, ditto .....	53½	53½	53½	53½
Rio Janeiro, ditto ..	—	—	—	—

## PRICES OF BULLION.

	Per Ounce.	Per Ounce.	Per Ounce.	Per Ounce.
Foreign Gold in Bars, (Standard).....	£3 17 9	£3 17 9	£3 17 9	£3 17 9
Mexican Dollars .....	0 0 0	0 0 0	0 0 0	0 0 0
Silver in Bars (Stand.)	0 5 1½	0 5 1½	0 5 1½	0 0 0

# Bankers' Weekly Circulation Returns.

Pursuant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTE.

## PRIVATE BANKS.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Jan. 27.	Feb. 2.	Feb. 10.	Feb. 17.
	£	£	£	£	£
1 Andover Bank .....	17,751	12,993	11,585	11,813	12,201
2 Ashford Bank .....	11,849	10,513	9,798	10,238	9,496
3 Aylsham Bank .....	5,854	4,423	4,561	4,661	4,761
4 Aylesbury Old Bank .....	48,461	31,123	27,429	27,315	27,615
5 Baldock and Biggleswade Bank ...	37,223	29,557	29,578	29,856	31,986
6 Barnstaple Bank .....	17,182	9,218	9,212	8,672	8,563
7 Basingstoke and Odiham Bank ...	24,730	21,270	20,876	22,135	22,061
8 Bedford Bank .....	34,218	30,873	32,323	32,465	33,170
9 Bewdley Bank .....	18,597	12,901	12,133	11,420	11,197
10 Bicester and Oxfordshire Bank ...	27,090	13,202	13,043	12,685	12,440
11 Birmingham Bank—Attwoods & Co.	23,695	23,113	21,634	20,837	21,999
12 Birmingham and Warwickshire Bk.	18,132	10,306	10,266	9,736	9,684
13 Blandford Bank .....	9,723	7,492	7,669	7,530	7,618
14 Boston Bank—Garfit and Co. ....	75,069	72,965	71,954	66,591	63,160
15 Boston Bank—Gee and Co. ....	15,161	15,177	13,941	14,807	14,041
16 Bridgewater Bank .....	10,028	6,298	5,686	5,658	5,402
17 Bristol Bank .....	48,277	39,889	38,931	37,954	36,310
18 Broseley and Bridgenorth Bank ...	26,717	21,104	21,284	20,924	19,786
19 Buckingham Bank .....	29,557	22,321	21,978	20,672	19,930
20 Bury and Suffolk Bank .....	82,362	74,815	73,870	72,147	72,302
21 Banbury Bank .....	43,457	33,597	32,237	30,295	31,070
22 Banbury Old Bank .....	55,153	27,188	26,797	24,549	23,884
23 Bath City Bank .....	4,572	2,507	2,630	2,455	2,604
24 Bedfordshire Leighton Buzzard Bk.	36,829	34,112	34,074	36,247	34,815
25 Birmingham Bk.—Taylor & Lloyds	38,816	36,125	33,825	33,480	32,396
26 Bradford Old Bank .....	12,676	11,051	10,875	10,976	11,338
27 Brecon Old Bank .....	68,271	64,897	60,922	62,078	64,920
28 Brighton Union Bank .....	33,794	26,065	24,759	24,371	23,778
29 Burlington and Driffield Bank .....	12,745	12,513	12,203	12,077	12,093
30 Bury St. Edmund's Bank .....	3,201	2,119	2,569	2,550	2,759
31 Cambridge Bk.—Mortlock & Co.	25,744	17,614	18,581	17,331	17,432
32 Cambridge and Cambridgeshire Bk.	49,916	47,319	47,378	46,977	45,903
33 Canterbury Bank .....	33,671	33,572	33,420	32,276	30,625
34 Carmarthen Bank .....	23,597	23,402	23,150	22,451	21,819
35 Chertsey Bank .....	3,436	3,358	3,360	3,455	3,272
36 Colchester Bank .....	25,082	16,458	16,056	15,335	15,326
37 Colchester and Essex Bank .....	48,704	32,412	31,810	31,434	30,869
38 Cornish Bank—Tweedy & Co. ...	49,869	47,751	46,452	46,075	46,366
39 Coventry Bank .....	12,045	7,099	7,216	7,950	7,084
40 City Bank, Exeter .....	21,527	19,814	19,645	19,681	19,623
41 Craven Bank—Alcocks & Co. ...	77,154	67,995	68,540	67,266	68,385
42 Cardiff Bank .....	7,001	7,017	6,975	7,036	6,529
43 Chepstow Old Bank .....	9,387	7,991	8,745	8,695	8,417
44 Derby Bank—Messrs. Evans .....	13,332	12,487	12,090	12,642	12,670
45 Derby Bank—Smith and Co. ....	41,304	37,685	37,315	37,380	38,315
46 Derby Old Bank .....	27,237	28,569	28,093	24,724	24,052
47 Devizes and Wiltshire Bank .....	20,674	11,337	10,121	10,110	9,845
48 Diss Bank .....	10,657	10,189	9,849	10,118	10,085
49 Doncaster Bank and Retford Bank	77,400	76,661	77,314	77,499	74,804
50 Darlington Bank .....	86,218	85,483	83,039	82,498	86,124
51 Devonport Bank .....	10,664	10,449	10,122	10,309	9,684
52 Dorchester Old Bank .....	48,807	49,972	49,858	45,955	44,940
53 East Cornwall Bk.—Robins & Co.	112,280	99,405	95,914	94,428	93,121
54 East Riding Bank—Bower & Co.	53,392	47,160	46,307	47,361	49,299
55 Essex Bk. & Bishops Stortford Bk.	69,637	47,014	46,464	47,243	45,650
56 Exeter Bank .....	37,894	29,789	28,962	28,169	27,607
57 Fakenham Bank .....	24,293	20,980	20,764	20,400	19,345

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT.			
		Jan. 27.	Feb. 3.	Feb. 10.	Feb. 17.
	£	£	£	£	£
58 Faringdon Bk. & Bk. of Wantage	8,977	8,085	7,731	8,091	7,995
59 Farnham Bank.....	14,202	11,822	11,370	11,167	11,238
60 Faversham Bank .....	6,681	6,732	6,143	5,746	6,009
61 Godalming Bank.....	6,322	5,035	4,672	4,770	5,515
62 Guildford Bank .....	14,524	8,567	8,840	9,048	9,815
63 Grantham Bank—Hardy and Co.	30,372	29,015	26,707	27,428	27,517
64 Hastings Old Bank .....	38,038	33,625	32,352	31,177	31,025
65 Hereford City and County Bank..	22,364	16,400	15,866	17,732	16,536
66 Hertford and Ware Bank .....	23,635	21,406	20,387	19,744	21,037
67 Hull & Kingston-upon-Hull Bank	19,979	19,562	19,350	19,726	20,185
68 Huntingdon Town & County Bank	56,591	49,972	49,919	49,345	50,265
69 Harwich Bank .....	5,778	5,145	4,944	4,814	4,857
70 Hemel Hempstead Bank.....	23,842	23,899	22,789	22,623	22,915
71 Hertfordshire, Hitchin Bank .....	38,764	31,619	31,419	31,457	32,033
72 Hereford, Ross, & Archenfield Bk.	27,625	20,957	21,085	21,122	20,575
73 Ipswich Bank .....	21,901	20,685	21,186	21,100	20,423
74 Ipswich & Needham Market Bank	80,699	65,433	65,129	63,513	62,725
75 Kentish Bank—Mercer & Co. ...	19,895	18,690	18,174	16,012	15,392
76 Kington and Radnorshire Bank...	26,050	23,777	24,107	24,266	24,326
77 Knighton Bank .....	9,090	9,468	8,997	8,775	9,070
78 Knaresborough Old Bank .....	21,825	20,776	20,486	19,837	20,178
79 Kendal Bank .....	44,663	36,570	38,725	40,520	46,351
80 Kettering Bank .....	9,192	9,708	9,163	8,624	9,127
81 Lane End Staffordshire Bank ...	5,624	4,820	4,949	5,080	5,375
82 Leeds Bank .....	53,357	53,282	53,236	52,455	52,972
83 Leeds Union Bank .....	37,459	36,779	36,840	36,643	37,716
84 Leicester Bank.....	32,322	30,549	28,436	28,197	27,939
85 Lewes Old Bank .....	44,836	29,122	28,870	28,361	27,521
86 Lichfield Bank.....	22,786	10,201	9,590	9,890	10,498
87 Lincoln Bank .....	100,342	96,301	94,029	90,117	86,013
88 Llandoverly Bank & Llandilo Bank	32,945	16,581	15,246	14,122	13,563
89 Loughborough Bank .....	7,359	6,936	7,092	7,155	7,407
90 Lymington Bank.....	5,038	4,379	4,225	4,255	4,066
91 Lynn Regis and Lincolnshire Bank	42,817	36,972	36,766	35,778	35,714
92 Lynn Regis and Norfolk Bank ...	13,917	10,953	11,993	10,924	10,994
93 Macclesfield Bank .....	15,760	14,610	14,000	13,426	13,305
94 Manningtree Bank .....	7,692	2,840	2,711	2,577	2,600
95 Merionethshire Bank .....	10,906	7,012	6,536	6,154	6,336
96 Miners' Bank .....	18,688	17,681	17,710	17,982	16,728
97 Monmouthshire Agricultural and Commercial Bank .....	29,335	26,415	27,632	28,245	28,786
98 Monmouth Old Bank .....	16,385	11,739	11,885	12,112	12,383
99 Newark Bank .....	28,788	26,350	26,035	24,776	24,670
100 Newark and Sleaford Bank .....	51,615	49,575	47,860	48,869	47,969
101 Newbury Bank.....	36,787	22,292	21,418	20,504	20,567
102 Newmarket Bank.....	23,098	19,856	18,596	18,736	18,919
103 Norwich Crown Bank and Norfolk and Suffolk Bank .....	49,671	47,273	46,964	47,480	48,024
104 Norwich and Norfolk Bank .....	75,372	69,243	68,718	68,521	66,727
105 Nottingham, Nottinghamshire ...	10,866	9,924	9,988	9,246	9,373
106 Nuneaton Bank .....	5,898	3,309	3,555	3,519	3,089
107 Naval Bank, Plymouth .....	27,321	26,741	27,401	26,227	24,971
108 New Sarum Bk.—Everett & Smith	15,659	13,255	13,899	13,699	13,753
109 Nottingham Bank .....	31,047	30,180	29,339	29,799	31,245
110 Oswestry Bank .....	18,471	10,790	10,907	11,382	10,910
111 Oxford Old Bank .....	34,391	33,241	34,330	33,065	32,842
112 Old Bank, Tonbridge .....	13,183	9,059	8,635	7,960	7,835
113 Oxfordshire Witney Bank .....	11,852	10,590	10,479	10,151	10,226
114 Pease's Old Bank, Hull .....	48,807	45,100	42,951	42,672	42,791
115 Penzance Bank .....	11,405	11,055	10,675	10,740	10,159
116 Peterborough Bank—Yorke & Co.	12,545	7,569	8,156	7,749	8,105

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Jan. 27.	Feb. 3.	Feb. 10.	Feb. 17.
	£	£	£	£	£
117 Pembroke Bank .....	12,910	11,462	10,641	9,878	9,777
118 Reading Bank—Simmonds & Co. ....	37,519	30,230	29,140	28,586	28,415
119 Reading Bk.—Stephens & Blandy .....	43,271	29,261	28,933	28,526	28,083
120 Richmond Bank, Richmond .....	6,889	6,331	6,325	6,195	5,901
121 Rochdale Bank .....	5,590	5,220	5,090	5,210	5,025
122 Rochester, Chatham, & Strood Bk. ....	10,480	7,751	7,988	7,951	7,608
123 Royston Bank .....	16,393	13,912	13,584	14,127	14,533
124 Rugby Bank .....	17,250	9,297	9,327	8,994	8,927
125 Rye Bank .....	29,864	15,615	15,319	15,028	14,692
126 Ross Old Bank, Herefordshire ...	4,420	4,646	4,228	3,982	3,781
127 Saffron Walden & North Essex Bk. ....	47,646	33,327	33,435	33,356	33,810
128 Salop Bank .....	22,338	16,460	15,789	16,412	16,502
129 Scarborough Old Bank .....	24,813	24,667	24,535	24,548	24,383
130 Shrewsbury Old Bank .....	43,191	40,333	39,406	39,558	39,393
131 Sittingbourne and Milton Bank ...	4,789	2,997	2,947	2,730	2,779
132 Southampton Town & County Bk. ....	18,589	16,186	15,761	16,253	14,686
133 Southwell Bank .....	14,744	14,167	13,724	13,243	12,915
134 Southampton and Hampshire Bk. ....	6,770	4,527	4,130	4,025	3,764
135 Stone Bank .....	9,144	360	360	360	360
136 Stafford Old Bank .....	14,166	13,297	12,854	12,178	12,628
137 Stamford and Rutland Bank .....	31,858	29,646	27,073	26,340	26,420
138 Shrewsbury and Welsh Pool Bank ..	25,336	24,440	23,332	23,652	22,865
139 Taunton Bank .....	29,799	24,049	23,231	23,084	23,072
140 Tavistock Bank .....	13,421	8,090	8,302	9,127	8,469
141 Thornbury Bank .....	10,026	3,973	2,193	1,430	1,264
142 Tiverton and Devonshire Bank ...	13,470	9,899	9,662	9,314	9,629
143 Thrapstone and Kettering Bank ..	11,559	11,331	11,242	11,383	12,038
144 Tring Bank and Chesham Bank ..	13,531	13,261	12,090	11,926	11,815
145 Twycroft Old Bank .....	10,801	8,745	8,341	8,752	8,949
146 Town and County of Poole Bk. and Ringwood and Poole Bk. ....	11,856	12,294	12,067	11,834	10,223
147 Union Bank, Cornwall .....	17,003	12,018	11,986	12,645	11,450
148 Uxbridge Old Bank .....	25,136	16,105	15,274	15,498	15,614
149 Wallingford Bank .....	17,064	8,149	8,279	7,980	8,007
150 Warwick and Warwickshire Bank ..	30,504	23,627	23,296	22,098	22,497
151 Wellington Bank, Somerset .....	6,528	3,283	2,988	2,641	2,621
152 West Riding Bank .....	46,158	43,453	43,997	44,414	44,696
153 Whitby Old Bank .....	14,258	14,206	13,950	13,332	13,343
154 Winchester, Alresford & Alton Bk. ....	25,892	20,355	20,960	20,289	20,052
155 Weymouth Old Bank .....	16,461	16,292	16,025	16,456	16,989
156 Wirksworth and Derbyshire Bk. ....	37,602	36,371	37,240	36,892	37,061
157 Wisbeach and Lincolnshire Bank ..	59,713	55,344	54,149	52,633	51,318
158 Wiveliscombe Bank .....	7,602	7,611	6,175	6,487	6,687
159 Wolverhampton Bk.—Goodricke ..	14,180	12,182	11,782	13,121	10,194
160 Worcester Bank .....	15,463	7,005	6,768	6,852	6,905
161 Worcester Old Bank .....	87,448	71,655	69,593	67,995	68,463
162 Worcestershire Bank .....	14,309	8,642	8,723	8,503	8,276
163 Wolverham. Bk.—R. & W. Fryer ..	11,867	10,760	10,590	10,184	9,539
164 Yarmouth and Suffolk Bank .....	53,060	50,470	46,945	45,802	45,766
165 Yarmouth, Norfolk, & Suffolk Bk. ....	31,229	11,621	11,703	11,829	11,731
166 York Bank .....	46,387	44,809	44,300	43,722	42,619

## JOINT STOCK BANKS.

1 Bank of Westmoreland .....	12,225	8,353	8,388	8,769	12,367
2 Barnsley Banking Company .....	9,563	9,408	9,289	9,244	8,830
3 Bradford Banking Company .....	49,292	49,365	49,967	48,650	48,464
4 Bilston District Banking Company ..	9,418	7,492	8,579	8,334	9,860
5 Bank of Whitehaven .....	32,681	31,096	31,357	31,465	31,563
6 Bradford Commercial Banking Co. ....	20,084	20,168	19,940	19,584	19,255
7 Barton, Uttoxeter, and Staffordshire Union Bank .....	60,701	54,037	53,810	52,929	53,827

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Jan. 27.	Feb. 3.	Feb. 10.	Feb. 17.
	£	£	£	£	£
8 Chesterfield & N. Derbysh. Bk. Co.	10,421	10,365	10,488	9,797	9,755
9 Cumberland Union Banking Co....	35,395	34,157	34,603	34,043	33,513
10 Cheltenham & Glo'stershire Bk. Co.	12,786	10,487	10,455	10,424	10,620
11 Coventry and Warwickshire Bk. Co.	28,734	24,864	24,515	21,944	21,873
12 Coventry Union Banking Company	16,251	15,539	15,323	13,700	13,324
13 County of Gloucester Banking Co.	144,352	108,614	106,217	110,031	108,840
14 Carlisle & Cumberland Banking Co.	25,610	25,431	25,908	25,243	24,744
15 Carlisle City and District Bank ...	19,972	19,722	19,892	18,986	19,719
16 Dudley & West Bromwich Bk. Co.	37,696	34,916	32,943	34,583	36,754
17 Derby and Derbyshire Banking Co.	20,093	20,000	19,618	19,522	19,665
18 Darlington Dist. Joint Stock Bk. Co.	26,134	23,862	22,961	23,262	25,608
19 East of England Bank .....	25,025	24,833	24,776	24,584	23,683
20 Gloucestershire Banking Company	155,920	149,969	145,042	145,531	145,028
21 Halifax Joint Stock Bank.....	18,534	17,821	18,685	19,336	18,152
22 Huddersfield Banking Company...	37,354	38,689	34,485	32,605	34,825
23 Hull Banking Company .....	29,333	29,027	28,344	27,074	26,353
24 Halifax Commercial Banking Co..	13,733	14,071	13,072	12,119	12,444
25 Halifax & Huddersfield Union Bk.	44,137	45,479	41,020	40,860	41,990
26 Helston Banking Company .....	1,503	1,450	1,493	1,410	1,426
27 Herefordshire Banking Company..	25,047	19,225	18,260	18,517	20,350
28 Knaresborough and Claro Bk. Co.	28,059	27,435	27,447	26,116	26,054
29 Kingsbridge Joint Stock Bank ....	3,952	3,674	3,520	3,155	3,112
30 Lancaster Banking Company .....	64,311	55,093	50,923	58,726	65,113
31 Leeds Banking Company .....	23,076	22,109	18,989	24,258	26,374
32 Leicestershire Banking Company...	86,060	79,746	75,060	71,906	71,172
33 Lincoln and Lindsey Banking Co.	51,620	49,236	50,073	49,079	45,932
34 Leamington Priors and Warwick-shire Bank .....	13,875	13,245	12,675	11,675	11,175
35 Ludlow and Tenbury Bank .....	10,215	10,431	9,878	9,844	9,818
36 Moore & Robinson's Notts. Bank...	35,813	33,397	34,939	34,178	33,073
37 Nottingham and Notts. Banking Co.	29,477	26,098	25,985	24,568	24,198
38 National Provincial Bk. of England	442,371	400,972	392,254	396,017	399,334
39 North Wilts Banking Company ...	63,939	42,927	43,500	43,282	45,273
40 Northamptonshire Union Bank ...	84,356	76,223	73,316	74,240	73,566
41 Northamptonshire Banking Co. ...	26,401	25,510	23,922	23,116	22,287
42 North and South Wales Bank.....	63,951	38,955	36,900	36,540	36,016
43 Pare's Leicestershire Banking Co...	59,300	53,212	51,937	50,700	51,200
44 Saddleworth Banking Company ...	8,122	2,228	2,124	2,095	2,002
45 Sheffield Banking Company.....	35,843	37,155	35,873	33,092	36,101
46 Stamford, Spalding & Boston Bk. Co.	55,721	53,389	50,260	48,220	48,097
47 Stuckey's Banking Company .....	356,976	336,961	334,049	336,887	338,333
48 Shropshire Banking Company.....	47,951	39,310	39,505	39,843	39,740
49 Stourbridge and Kidderminster Bk.	56,830	56,900	57,037	55,827	56,654
50 Sheffield and Hallamshire Bank ...	23,524	25,284	23,379	22,756	21,236
51 Sheffield & Rotherham Jt. Stock Bk.	52,496	53,841	53,193	51,783	50,455
52 Swaledale and Wensleydale Bank..	54,372	48,883	49,240	47,164	16,170
53 Storey and Thomas's Bank .....	9,714	9,105	9,428	9,772	9,980
54 Wolverhampton & Staffordsh. Bk..	35,378	33,672	31,695	32,990	32,420
55 Wakefield and Barnsley Union Bk.	14,604	13,003	12,255	11,935	11,831
56 Whitehaven Joint Stock Bank ...	31,916	28,009	29,721	30,200	30,712
57 Warwick and Leamington Bk. Co.	37,124	31,175	29,932	31,753	31,362
58 West of England and South Wales District Bank .....	83,535	76,725	76,398	77,228	76,828
59 Wilts & Dorset Banking Company	76,162	74,182	73,815	71,831	73,008
60 West Riding Union Banking Co....	34,029	33,555	32,906	30,870	31,001
61 Whitechurch and Ellesmere Bk. Co.	7,475	6,237	6,144	5,627	5,426
62 Worcester City and County Bk. Co.	6,848	5,077	4,485	4,504	4,480
63 York Union Banking Company ...	71,240	67,682	67,435	67,993	68,490
64 York City and County Banking Co.	94,695	91,095	89,694	87,676	87,700
65 Yorkshire Banking Company .....	122,532	118,364	119,946	120,968	124,189

## SUMMARY OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	Jan. 27.	Feb. 3.	Feb. 10.	Feb. 17.
Private Banks.....	£4,600,718	£3,897,863	£3,823,147	£3,775,852	£3,754,277
Joint-Stock Banks...	3,325,857	3,048,535	2,994,262	2,979,960	3,002,981
<b>Totals .....</b>	<b>7,926,575</b>	<b>6,946,398</b>	<b>6,817,409</b>	<b>6,755,812</b>	<b>6,757,258</b>

*average Weekly Circulation of these Banks for the month ending February 17th:—*

Private Banks .....	£3,812,785
Stock Banks .....	3,006,434

*average Weekly Circulation of Private Joint-Stock Banks ending as above £6,819,319 for a comparison of the above with the same for the month ending 20th January it shows:—*

Decrease in the notes of Private Banks, of .....	£128,677
Decrease in the notes of Joint-Stock Banks, of .....	97,859
<b>Total decrease on the month.....</b>	<b>£226,536</b>

And, as compared with the month ending 18th February, 1854, it shows—

A decrease in the notes of Private Banks, of .....	£83,168
A decrease in the notes of Joint-Stock Banks, of .....	52,025

Total decrease, as compared with the same period of last year .....

The following is the comparative state of the circulation, as regards the fixed issues—	£135,190
The Private Banks are below their fixed issues.....	£787,933
The Joint-Stock Banks are below their fixed issues.....	319,423
<b>Total below the fixed issues .....</b>	<b>£1,107,356</b>

## Irish and Scotch Circulation Returns.

*average Circulation, and Coin held by the IRISH and SCOTCH BANKS during the four weeks ending Saturday the 17th day of February, 1855.*

### IRISH BANKS.

NAME OF BANK.	Authorised Circulation.	Average Circulation during Four Weeks, ending as above.			Average Am. of Gold & Silver Coin held during Four Weeks ending as above.
		£5 and upwards.	Under £5.	Total.	
	£	£	£	£	£
Bank of Ireland .....	3,738,428	2,061,350	1,333,775	3,395,125	776,930
Vincial Bank of Ireland .....	927,667	388,993	666,670	1,055,663	289,819
East Bank .....	281,611	57,576	398,742	456,318	282,238
Western Bank .....	243,440	33,643	230,674	264,318	96,650
Bank .....	311,079	59,436	404,290	463,726	206,829
National Bank of Ireland...	761,757	457,347	607,339	1,064,686	431,277
Bank-on-Suir Nat. Bank .....	24,084	12,358	13,260	25,619	4,266
Central National Bank ...	66,428	29,811	30,424	60,235	8,995
<b>TOTALS (Irish Banks) ...</b>	<b>6,354,494</b>	<b>3,100,514</b>	<b>3,685,174</b>	<b>6,785,690</b>	<b>2,097,004</b>

### SCOTCH BANKS.

Bank of Scotland .....	300,485	121,437	258,378	379,815	165,649
Bank of Scotland .....	183,000	63,741	112,761	176,502	53,174
Bank Linen Company .....	438,024	174,947	301,108	476,056	199,389
Commercial Bk. of Scotland .....	374,880	158,920	314,649	473,569	175,038
National Bank of Scotland...	297,024	106,461	223,931	330,392	109,994
Bank of Scotland and .....					
Banking Com. in Aberdeen .....	415,690	182,618	327,116	509,734	196,138
Glasgow & Glasgow Bk. ...	136,657	67,517	90,311	157,828	41,912
Aberdeen Town and Co. Bk. ...	70,133	35,515	69,870	105,385	46,427
Bank of Scotland Bk. Co. ...	154,319	85,823	100,189	186,012	62,521
Banking Company .....	33,451	12,918	21,936	34,855	14,396
Bank of Scotland ...	33,636	18,389	22,329	40,718	17,614
Bank of Scotland ...	337,938	158,120	370,279	528,399	309,133
Banking Co. ...	104,028	57,512	107,404	164,916	84,810
Bank of Glasgow Bank .....	72,921	95,927	102,128	198,056	143,733
Banking Co. ...	53,434	20,358	46,157	66,516	26,519
Banking Company ...	38,656	16,201	30,647	46,848	17,476
Bank of Scotland ...	42,933	21,672	35,596	57,269	27,668
<b>TOTALS (Scotch Banks)...</b>	<b>3,087,209</b>	<b>1,398,076</b>	<b>2,534,789</b>	<b>3,932,870</b>	<b>1,691,591</b>

## SUMMARY OF IRISH &amp; SCOTCH RETURN

The Returns of Circulation of the Irish and Scotch Banks for the four weeks ending 17th February, when added together, give the following as the average weekly circulation of these banks during the past month, viz. :—

Average Circulation of the Irish Banks... £6,785,690  
Average Circulation of the Scotch Banks 3,932,870

Total Average Circulation of these Banks  
for the past month ..... £10,718,560

On comparing these amounts with the Returns for the month ending 20th January last, they show—

Increase in the Circulation of Irish Banks £83,070  
Decrease in the Circulation of Scotch Banks 186,653

Total decrease on the month ..... £133,583

And, as compared with the month ending February 18th, 1854, they show—

Decrease in the Circulation of Irish Banks £9,016  
Decrease in the Circulation of Scotch Banks 41,239

Total decrease on the year..... £50,255

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## CIRCULATION OF THE UNITED KINGDOM

The following is the state of the Note Circulation month ending the 17th February, 1855.

Circulation of Notes for the Month ending 17th February, as compared with the Month ending 17th February, 1854.

	Jan. 20.	1
Bank of England .....	£19,811,391	£
Private Banks .....	3,941,462	—
Joint-Stock Banks .....	3,104,293	—
Total in England .....	26,857,146	—
Scotland .....	4,119,523	—
Ireland .....	6,752,620	—
United Kingdom.....	£37,709,289	£

The comparison of the month ending February 17th, 1855, shows a decrease in the Bank of a decrease in Private Banks of £83,165, and a £52,023; being a total decrease in England of £2,706,583; and in Ireland a decrease of £41,239; and in Ireland a decrease of month ending 17th February, as compared with the decrease of £2,706,583 in England, and a decrease of

The return of Bullion in the Bank of England, gives an aggregate amount in both departments of this with the Return for the month ending January 1 of £327,700; and a decrease of £3,503,472 as compared with the month ending 17th February, 1854.

The stock of specie held by the Banks in Scotland ending 17th February, was £3,788,595; being a decrease of £1,239,000 as compared with the return of the previous month, and an increase of £2,549,595 as compared with the corresponding period last year.

# COMMERCE OF SAN FRANCISCO IN 1853.

THE clearances from the port of San Francisco in 1853 were no less than 1,653, generally large vessels, with an aggregate tonnage of 640,072 tons, of which the following is a recapitulation :—

	No.	Tons.
American vessels clearing coastwise ... ..	748	168,269
" " " on whaling voyages ... ..	7	1,835
Foreign " " coastwise ... ..	1	128
American " " for foreign ports ... ..	481	338,407
Foreign " " for foreign ports ... ..	416	131,433
Total, from January 1 to December 31, 1853 ... ..	<u>1,653</u>	<u>640,072</u>

*Table showing the Amount of Duties received at the Custom House, San Francisco, during the last half of the year 1853.*

	Net deposits.	Cash duties.	Total duties.
July ... ..	\$100,368 45	\$56,862 55	\$157,231 00
August ... ..	157,575 10	43,958 25	201,533 35
September ... ..	170,399 40	42,597 99	213,197 35
October ... ..	164,768 05	49,930 65	214,698 70
November ... ..	157,758 90	41,588 40	199,347 30
December ... ..	75,679 00	47,232 15	142,911 15
Receipts from January to June, inclusive ... ..			\$1,128,918 85
Receipts from July to December, inclusive ... ..			1,453,056 99
Total, for the year 1853 ... ..			<u>\$2,581,975 84</u>

*Table showing the Amount and Value of Quicksilver exported from San Francisco, during the year 1853, to*

	Flasks.	Value.
Hong Kong ... ..	5,642	\$180,272
Shanghai... ..	812	31,199
Canton ... ..	366	14,125
Whampoa ... ..	300	11,500
Calcutta ... ..	50	1,875
Mazatlan ... ..	2,811	95,250
Mazatlan and San Blas ... ..	255	10,000
San Blas ... ..	1,942	72,463
Callao ... ..	1,800	66,500
Valparaiso ... ..	1,977	71,875
New York ... ..	1,845	77,130
Philadelphia ... ..	1,000	50,000
Total exports ... ..	<u>18,800</u>	<u>\$683,189</u>



# Bank of England Weekly Returns.

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the Weeks ending as follows.

## ISSUE DEPARTMENT.

	1855. Mar. 24th.	1855. Mar. 31st.	1855. April 7th.	1855. April 14th.
Notes issued.....	28,186,880	28,610,230	28,392,500	28,351,365
Government debt.....	11,015,100	11,015,100	11,015,100	11,015,100
Other securities.....	2,984,900	2,984,900	2,984,900	2,984,900
Gold coin and bullion.....	14,186,880	14,510,230	14,392,500	14,351,365
Silver bullion.....	—	—	—	—
	28,186,880	28,610,230	28,392,500	28,351,365

## BANKING DEPARTMENT.

	1855. Mar. 24th.	1855. Mar. 31st.	1855. April 7th.	1855. April 14th.
Proprietors' capital.....	14,558,000	14,553,000	14,553,000	14,553,000
Reserve.....	3,649,414	3,653,450	3,085,593	3,123,446
Public deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts).....	5,539,467	5,384,834	6,008,895	2,720,640
Other deposits.....	11,146,840	10,932,620	11,896,873	14,233,796
Seven day and other bills.....	835,583	866,312	904,829	947,721
	35,724,004	35,390,225	35,949,292	35,578,603
Government securities (including Dead Weight Annuity).....	11,581,067	11,581,067	13,026,749	13,073,713
Other securities.....	14,279,061	14,091,941	13,655,995	13,266,066
Notes.....	9,129,110	9,031,920	8,586,140	7,967,535
Gold and silver coin.....	734,766	695,397	686,318	671,287
	35,724,004	35,390,225	35,949,292	35,578,603

## The Exchanges.

	Mar. 23rd.	Mar. 30th.	April 6th.	April 13th.
Amsterdam, short ..	11 18	11 17½	11 18	11 18½
Ditto 3 months..	11 19½	11 19½	12	12½
Rotterdam, ditto ..	11 19½	11 19½	12	12½
Antwerp, ditto ..	25 40	25 42½	25 40	25 40
Brussels, ditto ..	25 40	25 42½	25 40	25 40
Hamburg, ditto....	13 7½	13 7½	13 7½	13 8½
Paris, short ..	25 20	25 17½	25 17½	25 32½
Paris, 3 months ..	25 47½	25 45	25 42½	25 50
Marseilles, ditto ..	25 47½	25 47½	25 45	25 50
Frankfort, ditto ..	119½	119	119	119½
Vienna, ditto.....	12 40	12 30	12 42	12 42
Trieste, ditto.....	12 42	12 32	12 44	12 42
Petersburgh, ditto ..	36	36	36	35½
Madrid, ditto ..	50	50	49½	49½
Cadiz, ditto ..	50½	50½	50½	50½
Leghorn, ditto ..	30 50	30 50	30 42½	30 40
Genoa, ditto ..	25 60	25 60	25 55	25 55
Naples, ditto ..	43½	43½	43½	43½
Palermo, ditto ..	131	131	131	131½
Messina, ditto ..	131½	131½	131½	131½
Lisbon, 60 days' date	53½	53½	53½	53½
Oporto, ditto ..	53½	53½	53½	53½
Rio Janeiro, ditto ..	—	—	—	—

## PRICES OF BULLION.

	Per Ounce.	Per Ounce.	Per Ounce.	Per Ounce.
Foreign Gold in Bars .. (Standard) .....	£3 17 9	£3 17 9	£3 17 9	£3 17 9
Mexican Dollars .....	0 4 11½	0 0 0	0 0 0	0 0 0
Silver in Bars (Stand.)..	0 0 0	0 0 0	0 5 8½	0 0 0

# Bankers' Weekly Circulation Returns.

Pursuant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTE.

## PRIVATE BANKS.

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT.			
		Feb. 24.	Mar. 3.	Mar. 10.	Mar. 17.
	£	£	£	£	£
1 Andover Bank .....	17,751	11,633	10,502	11,188	11,173
2 Ashford Bank .....	11,849	9,524	9,332	10,302	10,830
3 Aylsham Bank .....	5,854	4,502	4,332	4,366	4,434
4 Aylesbury Old Bank .....	48,461	26,612	26,790	27,807	27,945
5 Baldock and Biggleswade Bank ...	37,223	32,454	31,884	32,341	32,311
6 Barnstable Bank .....	17,182	8,648	8,892	8,649	9,380
7 Basingstoke and Odiham Bank ...	24,730	22,197	22,431	23,467	23,414
8 Bedford Bank .....	34,218	33,333	34,713	34,836	33,509
9 Bewdley Bank .....	18,597	11,035	10,666	10,337	10,073
10 Bicester and Oxfordshire Bank ...	27,090	12,467	12,799	13,328	14,300
11 Birmingham Bank—Attwoods & Co.	23,695	22,849	23,325	22,379	23,306
12 Birmingham and Warwickshire Bk.	18,132	9,808	9,834	10,045	10,162
13 Blandford Bank .....	9,723	7,439	7,207	7,694	8,073
14 Boston Bank—Garfit and Co. ....	75,069	62,420	60,978	61,626	61,465
15 Boston Bank—Gee and Co. ....	15,161	14,842	13,534	14,102	15,134
16 Bridgewater Bank .....	10,028	5,704	6,104	6,970	6,788
17 Bristol Bank .....	48,277	34,944	36,577	36,472	36,320
18 Broseley and Bridgenorth Bank ...	26,717	19,631	19,531	19,058	18,809
19 Buckingham Bank .....	29,557	20,601	20,360	21,612	21,912
20 Bury and Suffolk Bank .....	82,362	71,705	69,265	69,227	70,875
21 Banbury Bank .....	43,457	31,693	31,002	30,066	30,873
22 Banbury Old Bank .....	55,153	23,951	23,717	23,285	23,896
23 Bath City Bank .....	4,572	2,505	2,432	2,395	2,236
24 Bedfordshire Leighton Buzzard Bk.	36,829	34,536	34,146	34,336	34,127
25 Birmingham Bk.—Taylor & Lloyds	38,816	31,601	30,759	31,121	31,010
26 Bradford Old Bank .....	12,676	11,584	11,358	11,481	11,495
27 Brecon Old Bank .....	68,271	63,595	64,752	62,990	61,460
28 Brighton Union Bank .....	33,794	22,710	22,480	22,176	21,447
29 Burlington and Driffield Bank .....	12,745	12,259	12,678	12,576	12,378
30 Bury St. Edmund's Bank .....	3,201	3,020	3,118	3,230	3,185
31 Cambridge Bk.—Mortlock & Co.	25,744	17,318	17,448	17,604	17,236
32 Cambridge and Cambridgeshire Bk.	49,916	46,614	48,390	50,306	49,845
33 Canterbury Bank .....	33,671	29,858	29,643	29,642	29,960
34 Carmarthen Bank .....	23,597	21,196	21,545	21,721	21,419
35 Chertsey Bank .....	3,436	3,534	3,662	3,155	3,108
36 Colchester Bank .....	25,082	14,890	14,657	14,895	14,761
37 Colchester and Essex Bank .....	48,704	30,800	31,467	31,954	30,393
38 Cornish Bank—Tweedy & Co. ...	49,869	46,020	45,947	47,140	46,982
39 Coventry Bank .....	12,045	6,849	6,808	7,049	6,720
40 City Bank, Exeter .....	21,527	19,714	19,960	19,872	20,392
41 Craven Bank—Alcock & Co. ...	77,154	68,761	69,600	69,997	70,196
42 Cardiff Bank .....	7,001	6,520	6,644	6,950	6,422
43 Chepstow Old Bank .....	9,387	8,050	8,500	8,588	8,841
44 Derby Bank—Messrs. Evans .....	13,332	12,358	11,507	11,097	10,853
45 Derby Bank—Smith and Co. ....	41,304	36,757	36,144	38,105	38,937
46 Derby Old Bank .....	27,237	24,961	24,679	25,477	25,874
47 Devizes and Wiltshire Bank .....	20,674	9,255	9,017	8,726	8,767
48 Diss Bank .....	10,657	10,200	10,279	10,005	10,245
49 Doncaster Bank and Retford Bank	77,400	72,079	73,180	73,778	74,116
50 Darlington Bank .....	86,218	84,167	85,256	87,124	86,745
51 Devonport Bank .....	10,664	9,370	9,325	10,512	10,397
52 Dorchester Old Bank .....	48,807	45,106	45,488	45,695	44,279
53 East Cornwall Bk.—Robins & Co.	112,280	92,469	91,443	92,948	92,993
54 East Riding Bank—Bower & Co.	53,392	49,459	50,552	51,420	50,809
55 Essex Bk. & Bishops Stortford Bk.	69,637	45,900	47,425	48,491	48,325
56 Exeter Bank .....	37,894	27,310	27,972	28,112	28,276
57 Fakenham Bank .....	24,293	18,977	19,617	19,634	20,121

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT.			
		Feb. 24.	Mar. 3.	Mar. 10.	Mar. 17.
	£	£	£	£	£
58 Faringdon Bk. & Bk. of Wantage	8,977	8,126	8,158	8,135	8,214
59 Farnham Bank	14,202	10,928	11,093	11,202	11,574
60 Faversham Bank	6,681	6,113	6,189	6,310	6,199
61 Godalming Bank	6,322	5,491	5,221	5,256	4,947
62 Guildford Bank	14,524	10,870	11,431	11,925	12,240
63 Grantham Bank—Hardy and Co.	30,372	28,089	28,723	27,819	29,093
64 Hastings Old Bank	38,038	30,501	30,194	28,708	28,733
65 Hereford City and County Bank	22,364	15,910	16,415	17,037	17,428
66 Hertford and Ware Bank	23,635	21,785	21,166	21,840	21,729
67 Hull & Kingston-upon-Hull Bank	19,979	19,658	19,035	19,053	19,343
68 Huntingdon Town & County Bank	56,591	50,415	50,015	49,894	50,535
69 Harwich Bank	5,778	4,964	4,943	5,020	5,046
70 Hemel Hempstead Bank	23,842	23,574	23,626	24,633	23,428
71 Hertfordshire, Hitchin Bank	38,764	32,849	33,992	34,683	35,421
72 Hereford, Ross, & Archenfield Bk.	27,625	20,245	20,808	20,459	20,140
73 Ipswich Bank	21,901	20,753	20,507	20,918	20,251
74 Ipswich & Needham Market Bank	80,699	62,229	63,347	64,462	64,455
75 Kentish Bank—Mercer & Co.	19,895	14,410	13,959	13,611	14,590
76 Kingston and Radnorshire Bank	26,050	24,428	24,007	23,708	24,435
77 Knighton Bank	9,090	8,691	8,467	8,949	10,020
78 Knarborough Old Bank	21,825	20,440	20,468	20,630	21,142
79 Kendal Bank	44,663	47,359	44,875	43,004	40,835
80 Kettering Bank	9,192	8,620	8,653	8,537	9,675
81 Lane End Staffordshire Bank	5,624	5,425	5,349	5,381	5,336
82 Leeds Bank	53,357	53,196	53,163	52,980	53,559
83 Leeds Union Bank	37,459	37,275	37,138	37,445	37,030
84 Leicester Bank	32,322	28,411	28,512	28,398	29,772
85 Lewes Old Bank	44,836	27,691	28,072	28,562	27,949
86 Lichfield Bank	22,786	11,476	11,555	11,441	9,686
87 Lincoln Bank	100,342	85,216	85,549	84,929	85,554
88 Llandoverly Bank & Llandilo Bank	32,945	13,252	12,586	11,829	11,603
89 Loughborough Bank	7,359	7,315	7,249	7,111	7,180
90 Lymington Bank	5,038	3,860	3,780	3,750	3,727
91 Lynn Regis and Lincolnshire Bank	42,817	35,934	36,492	36,915	35,488
92 Lynn Regis and Norfolk Bank	13,917	11,256	11,291	11,462	11,715
93 Macclesfield Bank	15,760	13,213	12,440	12,218	11,999
94 Manningtree Bank	7,692	2,537	2,650	2,629	2,605
95 Merionethshire Bank	10,006	6,609	6,393	6,201	6,339
96 Miners' Bank	18,688	16,465	16,902	18,307	17,770
97 Monmouthshire Agricultural and Commercial Bank	29,335	28,305	28,185	28,234	28,561
98 Monmouth Old Bank	16,385	12,172	12,333	12,925	12,770
99 Newark Bank	28,788	24,396	23,433	22,955	23,109
100 Newark and Sleaford Bank	51,615	46,302	47,725	48,188	48,128
101 Newbury Bank	36,787	20,580	20,256	20,479	20,243
102 Newmarket Bank	23,098	18,068	18,347	18,613	18,861
103 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	46,598	47,445	47,664	47,939
104 Norwich and Norfolk Bank	75,372	65,583	66,235	67,977	67,698
105 Nottingham, Nottinghamshire	10,866	8,868	8,358	9,399	9,023
106 Nuneaton Bank	5,898	3,116	3,350	3,250	3,074
107 Naval Bank, Plymouth	27,321	24,462	24,910	24,447	24,425
108 New Sarum Bk.—Everett & Smith	15,659	12,784	12,894	12,903	12,835
109 Nottingham Bank	31,047	30,645	31,053	31,205	29,855
110 Oswestry Bank	18,471	11,500	11,757	12,230	12,868
111 Oxford Old Bank	34,391	33,509	34,033	32,401	32,462
112 Old Bank, Tonbridge	13,183	8,020	7,286	7,314	7,236
113 Oxfordshire Witney Bank	11,852	10,457	10,435	10,769	11,184
114 Pease's Old Bank, Hull	48,807	44,201	44,652	44,627	44,744
115 Penzance Bank	11,405	10,016	11,073	11,409	10,956
116 Peterborough Bank—Yorke & Co.	12,545	8,123	7,761	7,803	8,269

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Feb. 24.	Mar. 3.	Mar. 10.	Mar. 17.
	£	£	£	£	£
117 Pembrokeshire Bank .....	12,910	9,265	8,499	8,130	8,241
118 Reading Bank—Simmonds & Co. ....	37,519	28,382	28,861	28,246	28,966
119 Reading Bk.—Stephens & Blandy .....	43,271	27,498	27,801	27,360	26,986
120 Richmond Bank, Richmond .....	6,889	5,975	6,400	6,504	6,450
121 Rochdale Bank .....	5,590	4,761	4,398	4,391	4,248
122 Rochester, Chatham, & Strood Bk. ....	10,480	7,455	6,721	6,275	6,308
123 Royston Bank .....	16,393	14,345	14,846	15,561	15,827
124 Rugby Bank .....	17,250	8,735	8,530	8,455	8,768
125 Rye Bank .....	29,864	14,425	14,461	13,710	13,501
126 Ross Old Bank, Herefordshire ...	4,420	3,881	3,736	3,856	4,236
127 Saffron Walden & North Essex Bk. ....	47,646	33,302	32,831	32,496	31,375
128 Salop Bank .....	22,338	16,260	15,588	15,901	15,834
129 Scarborough Old Bank .....	24,813	23,999	24,145	24,405	24,319
130 Shrewsbury Old Bank .....	43,191	39,100	38,589	40,564	41,114
131 Sittingbourne and Milton Bank .....	4,789	2,612	3,014	2,765	2,724
132 Southampton Town & County Bk. ....	18,589	13,683	13,248	13,656	12,895
133 Southwell Bank .....	14,744	12,652	12,439	12,483	12,405
134 Southampton and Hampshire Bk. ....	6,770	3,685	3,470	3,419	3,347
135 Stone Bank .....	9,184	345	345	345	345
136 Stafford Old Bank .....	14,166	12,698	12,565	12,771	13,157
137 Stamford and Rutland Bank .....	31,858	25,999	26,258	27,975	27,913
138 Shrewsbury and Welsh Pool Bank .....	25,336	22,695	22,550	24,255	27,534
139 Taunton Bank .....	29,799	23,412	24,795	24,380	24,356
140 Tavistock Bank .....	13,411	7,504	7,570	8,753	8,220
141 Thornbury Bank .....	10,026	1,139	1,107	1,047	447
142 Tiverton and Devonshire Bank .....	13,470	9,769	9,825	9,816	9,628
143 Thrapstone and Kettering Bank .....	11,559	11,933	11,645	11,387	10,599
144 Tring Bank and Chesham Bank .....	13,531	11,885	11,175	11,371	11,587
145 Towcester Old Bank .....	10,801	8,666	8,105	8,170	8,072
146 Town and County of Poole Bk. and Ringwood and Poole Bk. ....	11,856	10,564	10,380	9,956	10,002
147 Union Bank, Cornwall .....	17,003	11,613	12,702	12,648	11,991
148 Uxbridge Old Bank .....	25,136	15,415	15,928	15,703	16,273
149 Wallingford Bank .....	17,064	8,220	7,817	7,631	7,825
150 Warwick and Warwickshire Bank .....	30,504	22,343	21,854	22,476	22,370
151 Wellington Bank, Somerset .....	6,528	2,692	2,866	2,804	2,803
152 West Riding Bank .....	46,158	44,293	44,407	46,651	46,843
153 Whitby Old Bank .....	14,258	13,076	12,874	12,993	13,210
154 Winchester, Alresford & Alton Bk. ....	25,892	20,071	19,459	19,920	18,947
155 Weymouth Old Bank .....	16,461	17,124	16,002	15,650	15,864
156 Wirksworth and Derbyshire Bk. ....	37,602	35,986	37,002	36,801	35,848
157 Wisbeach and Lincolnshire Bank .....	59,713	50,667	50,578	49,313	49,278
158 Wiveliscombe Bank .....	7,602	6,480	7,691	7,915	7,692
159 Wolverhampton Bk.—Goodricke .....	14,180	10,042	10,727	10,114	10,658
160 Worcester Bank .....	15,463	6,741	6,905	6,965	6,854
161 Worcester Old Bank .....	87,448	68,318	68,700	68,551	68,803
162 Worcestershire Bank .....	14,309	8,068	8,150	8,223	8,253
163 Wolverham. Bk.—R. & W. Fryer .....	11,867	9,320	9,015	10,012	10,981
164 Yarmouth and Suffolk Bank .....	53,060	44,480	44,302	43,678	42,236
165 Yarmouth, Norfolk, & Suffolk Bk. ....	13,229	11,722	11,269	11,164	10,618
166 York Bank .....	46,387	42,255	44,080	42,671	42,197

## JOINT STOCK BANKS.

1 Bank of Westmoreland .....	12,225	11,381	10,725	9,378	8,754
2 Barnsley Banking Company .....	9,463	8,810	8,834	8,952	8,953
3 Bradford Banking Company .....	49,292	49,280	48,718	48,020	48,484
4 Bilston District Banking Company .....	9,418	8,973	8,735	8,772	9,969
5 Bank of Whitehaven .....	32,681	31,188	31,359	30,842	30,631
6 Bradford Commercial Banking Co. ....	20,084	20,166	20,185	19,816	19,526
7 Burton, Uttoxeter, and Staffordshire Union Bank .....	60,701	54,518	52,037	51,698	55,635

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Feb. 24.	Mar. 3.	Mar. 10.	Mar. 17.
	£	£	£	£	£
8 Chesterfield & N. Derbysh. Bk. Co.	10,421	9,809	10,015	10,031	10,05
9 Cumberland Union Banking Co. ...	35,395	33,181	32,477	32,574	32,55
10 Cheltenham & Gloucestershire Bk. Co.	12,786	10,712	10,638	10,957	11,03
11 Coventry and Warwickshire Bk. Co.	28,734	21,124	21,580	22,995	24,54
12 Coventry Union Banking Company	16,251	12,827	12,455	12,652	12,54
13 County of Gloucester Banking Co.	144,352	107,754	107,941	108,874	106,29
14 Carlisle & Cumberland Banking Co.	25,610	25,477	25,230	24,702	24,11
15 Carlisle City and District Bank ...	19,972	20,057	19,937	19,396	19,40
16 Dudley & West Bromwich Bk. Co.	37,696	36,267	37,458	37,803	37,75
17 Derby and Derbyshire Banking Co.	20,093	19,648	19,983	19,613	19,75
18 Darlington Dist. Joint Stock Bk. Co.	26,134	25,321	24,765	24,666	23,26
19 East of England Bank	25,025	24,530	24,841	23,170	24,24
20 Gloucestershire Banking Company	155,920	144,683	144,536	143,935	147,38
21 Halifax Joint Stock Bank	18,534	17,858	18,109	18,483	18,75
22 Huddersfield Banking Company	37,354	33,698	32,691	33,115	35,14
23 Hull Banking Company	29,333	25,680	25,626	25,643	27,31
24 Halifax Commercial Banking Co.	13,733	11,777	11,131	11,195	11,26
25 Halifax & Huddersfield Union Bk.	44,137	41,525	40,051	39,821	41,41
26 Helston Banking Company	1,503	1,456	1,429	1,468	1,43
27 Herefordshire Banking Company	25,047	19,343	20,451	20,190	19,97
28 Knaresborough and Claro Bk. Co.	28,059	26,028	26,079	27,626	28,41
29 Kingsbridge Joint Stock Bank	3,952	3,481	3,965	3,860	4,11
30 Lancaster Banking Company	64,311	63,516	62,273	61,526	58,30
31 Leeds Banking Company	23,076	23,062	23,033	23,235	22,68
32 Leicestershire Banking Company	86,060	70,554	70,492	68,967	69,55
33 Lincoln and Lindsey Banking Co.	51,620	46,791	48,368	52,475	53,62
34 Leamington Priors and Warwick- shire Bank	13,875	11,095	11,008	12,175	11,67
35 Ludlow and Tenbury Bank	10,215	9,421	9,779	10,180	10,06
36 Moore & Robinson's Notts. Bank	35,813	31,103	32,843	31,670	31,80
37 Nottingham and Notts. Banking Co.	29,477	33,709	33,877	24,570	26,04
38 National Provincial Bk. of England	442,371	403,198	405,095	420,999	423,97
39 North Wilts Banking Company	63,939	43,465	45,711	47,035	44,92
40 Northamptonshire Union Bank	84,356	73,953	73,760	76,874	77,48
41 Northamptonshire Banking Co.	26,401	22,450	23,655	25,045	25,39
42 North and South Wales Bank	63,951	36,450	37,065	37,964	39,32
43 Parc's Leicestershire Banking Co.	59,300	49,577	49,963	50,821	50,22
44 Saddleworth Banking Company	8,122	1,955	1,825	1,821	1,89
45 Sheffield Banking Company	35,843	35,067	33,955	35,246	36,05
46 Stamford, Spalding & Boston Bk. Co.	55,721	50,260	50,682	50,691	50,17
47 Stuckey's Banking Company	356,976	338,122	340,552	345,293	347,84
48 Shropshire Banking Company	47,951	38,053	40,740	40,779	38,75
49 Stourbridge and Kidderminster Bk.	56,830	57,048	56,495	56,753	55,97
50 Sheffield and Hallamshire Bank	23,524	22,567	22,710	23,296	23,59
51 Sheffield & Rotherham Jt. Stock Bk.	52,496	52,460	50,901	51,191	51,82
52 Swaledale and Wensleydale Bank	54,372	45,940	46,195	47,295	47,27
53 Storey and Thomas's Bank	9,714	9,619	10,192	9,465	8,50
54 Wolverhampton & Staffordsh. Bk.	35,378	31,935	33,001	34,425	35,00
55 Wakefield and Barnsley Union Bk.	14,604	11,662	11,844	11,402	11,77
56 Whitehaven Joint Stock Bank	31,916	29,814	29,380	29,233	28,35
57 Warwick and Leamington Bk. Co.	37,124	29,667	29,859	31,491	31,36
58 West of England and South Wales District Bank	83,535	77,967	77,619	80,481	82,51
59 Wilts & Dorset Banking Company	76,162	72,316	72,611	74,737	75,21
60 West Riding Union Banking Co.	34,029	30,706	29,375	29,230	30,71
61 Whitchurch and Ellesmere Bk. Co.	7,475	5,757	5,707	6,002	6,09
62 Worcester City and County Bk. Co.	6,848	4,427	4,704	5,194	5,53
63 York Union Banking Company	71,240	69,756	70,712	69,645	67,44
64 York City and County Banking Co.	94,695	86,865	88,342	91,065	93,86
65 Yorkshire Banking Company	122,532	123,046	123,834	123,990	118,49

## SUMMARY OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	Feb. 24.	Mar. 3.	Mar. 10.	Mar. 17.
166 Private Banks.....	£4,600,718	£3,727,318	£3,733,792	£3,759,888	£3,757,456
65 Joint-Stock Banks..	3,325,857	3,029,195	3,000,238	3,042,518	3,056,356
231 Totals .....	7,926,575	6,757,233	6,734,030	6,802,406	6,813,812

*Average Weekly Circulation of these Banks for the month ending March 17th:—*

Private Banks .....	£3,744,613
Joint-Stock Banks .....	3,032,257

*Average Weekly Circulation of Private and Joint-Stock Banks ending as above* £6,776,870

On a comparison of the above with the Returns for the month ending 17th February last, it shows:—

<i>A decrease in the notes of Private Banks, of</i> .....	£68,172
<i>An increase in the notes of Joint-Stock Banks, of</i> .....	25,823
<i>Total decrease on the month</i> .....	£42,349

And, as compared with the month ending 18th March, 1854, it shows—

<i>A decrease in the notes of Private Banks, of</i> .....	£67,008
<i>A decrease in the notes of Joint-Stock Banks, of</i> .....	44,128

*Total decrease, as compared with the same period of last year* .....

<i>The following is the comparative state of the circulation, as regards the fixed issues—</i>	£111,196
<i>The Private Banks are below their fixed issues</i> .....	£856,103
<i>The Joint-Stock Banks are below their fixed issues</i> .....	293,600
<i>Total below the fixed issues</i> .....	£1,149,705

## Irish and Scotch Circulation Returns.

*Average Circulation, and Coin held by the IRISH and SCOTCH BANKS during the four weeks ending Saturday, the 17th day of March, 1855.*

### IRISH BANKS.

NAME OF BANK.	Authorised Circulation.	Average Circulation during Four Weeks, ending as above.			Average Am't. of Gold & Silver Coin held during Four Weeks ending as above.
		£5 and upwards.	Under £5.	Total.	
	£	£	£	£	£
Bank of Ireland .....	3,738,428	2,010,550	1,370,825	3,381,375	804,585
Provincial Bank of Ireland	927,667	397,456	645,276	1,042,732	289,162
Belfast Bank .....	281,611	56,656	365,740	422,396	259,312
Northern Bank .....	243,440	35,347	219,087	254,434	98,548
Ulster Bank .....	311,079	57,565	366,166	423,731	165,977
National Bank of Ireland...	761,757	460,701	584,582	1,045,284	436,033
Carrick-on-Suir Nat. Bank	24,084	12,397	12,940	25,338	4,132
Clonmel National Bank ...	66,428	31,361	30,919	62,281	9,041
TOTALS (Irish Banks) ...	6,354,494	3,062,033	3,595,535	6,657,571	2,066,790

### SCOTCH BANKS.

Bank of Scotland .....	300,485	119,422	248,227	367,649	165,210
Boyal Bank of Scotland ...	183,000	74,724	111,348	186,072	55,570
British Linen Company .....	438,024	170,512	286,721	457,234	203,370
Commercial Bk. of Scotland	374,880	158,392	296,387	454,780	152,961
National Bank of Scotland..	297,024	108,335	211,086	319,421	92,602
Union Bank of Scotland and Banking Com. in Aberdeen	415,690	178,519	317,052	495,571	178,564
Edinburgh & Glasgow Bk...	136,657	68,621	85,012	153,633	47,275
Aberdeen Town and Co. Bk.	70,133	33,985	67,341	101,326	46,936
North of Scotland Bk. Co...	154,319	84,847	95,886	180,733	62,973
Dundee Banking Company	33,451	15,861	20,473	36,334	14,299
Eastern Bank of Scotland...	33,636	16,951	21,647	38,598	18,340
Western Bank of Scotland..	337,938	137,777	363,708	501,486	318,538
Clydesdale Banking Co. ...	104,028	60,560	102,657	163,217	88,041
City of Glasgow Bank .....	72,921	92,642	102,488	195,130	137,141
Caledonian Banking Co. ...	53,434	19,636	43,292	62,928	24,385
Perth Banking Company ...	38,656	14,066	23,919	42,985	17,959
Central Bank of Scotland...	42,933	20,687	33,798	54,486	22,930
TOTALS (Scotch Banks)...	3,087,209	1,375,537	2,436,042	3,811,573	1,647,094

# CIRCULATION RETUR

## SUMMARY OF IRISH & SCOTCH RETURN

The Returns of Circulation of the Irish and Scotch Banks for the four weeks ending 17th March, when added together, give the following as the average weekly circulation of these banks during the past month, viz. :—

Average Circulation of the Irish Banks... £6,657,571  
Average Circulation of the Scotch Banks 3,811,573

Total Average Circulation of these Banks for the past month .....£10,469,144

On comparing these amounts with the Returns for the month ending 17th February last, they show—

Decrease in the Circulation of Irish Banks £128,119  
Decrease in the Circulation of Scotch Banks 131,397

Total decrease on the month..... £249,416

And, as compared with the month ending March 18th, 1854, they show—

Decrease in the Circulation of Irish Banks £33,307  
Decrease in the Circulation of Scotch Banks 32,790

Total decrease on the year..... £85,997

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## CIRCULATION OF THE UNITED KINGDO

The following is the state of the Note Circulation month ending the 17th March, 1855.

Circulation of Notes for the Month ending 17th March, as compare

	Feb. 17.	Mar
Bank of England .....	£19,395,828	£19,
Private Banks .....	3,812,785	3,
Joint-Stock Banks .....	3,000,434	3,
Total in England .....	26,415,044	25,
Scotland .....	3,932,870	3,
Ireland .....	6,785,690	6,
United Kingdom.....	£37,133,604	£36,

The comparison of the month ending March 18th March 17th, 1855, shows a decrease in the Bank of En a decrease in Private Banks of £67,068, and a dec £44,128; being a total decrease in England of £2,347,1 decrease of £32,790; and in Ireland a decrease of £ month ending 17th March, as compared with the a decrease of £2,347,135 in England, and a decrease of £2

The return of Bullion in the Bank of England, fo gives an aggregate amount in both departments of £ this with the Return for the month ending February 17:1 of £791,094; and a decrease of £2,089,342 as comp year.

The stock of specie held by the Banks in Scotland ending 17th March, was £3,713,884; being a decreas the return of the previous month, and an increase of corresponding period last year.

# SUBSIDIES AND LOANS TO FOREIGN STATES, 1793 to 1806.

(From Parliamentary Paper, No. 466, of 1854.)

1793.	Hanover ...	...	...	...	...	£492,000	
	Hesse Cassel ...	...	...	...	...	190,000	
	Sardinia ...	...	...	...	...	150,000	
							£832,000
1794.	Prussia ...	...	...	...	...	1,226,000	
	Sardinia ...	...	...	...	...	200,000	
	Hesse Cassel ...	...	...	...	...	437,000	
	Hesse Darmstadt ...	...	...	...	...	102,000	
	Baden ...	...	...	...	...	25,000	
	Hanover ...	...	...	...	...	560,000	
							2,550,000
1795.	Germany, Imperial Loan (35 Geo. III. cap. 93)					4,600,000	
	Baden ...	...	...	...	...	2,000	
	Brunswick ...	...	...	...	...	98,000	
	Hesse Cassel ...	...	...	...	...	317,000	
	Hesse Darmstadt ...	...	...	...	...	80,000	
	Hanover ...	...	...	...	...	478,000	
	Sardinia ...	...	...	...	...	150,000	
							5,725,000
1796.	Hesse Darmstadt	...	...	...	...	20,000	
	Brunswick ...	...	...	...	...	13,000	
							33,000
1797.	Hesse Darmstadt	...	...	...	...	57,000	
	Brunswick ...	...	...	...	...	7,000	
	Germany, Imperial Loan (37 Geo. III. cap. 59)					1,620,000	
							1,684,000
1798.	Brunswick	...	...	...	...	7,000	
	Portugal ...	...	...	...	...	120,000	
							127,000
1799.	Prince of Orange	...	...	...	...	20,000	
	Hesse Darmstadt	...	...	...	...	5,000	
	Russia ...	...	...	...	...	825,000	
							850,000
1800.	Germany...	...	...	...	...	1,066,000	
	German Princes...	...	...	...	...	500,000	
	Bavaria ...	...	...	...	...	501,000	
	Russia ...	...	...	...	...	546,000	
							2,613,000
1801.	Portugal ...	...	...	...	...	200,000	
	Sardinia ...	...	...	...	...	40,000	
	Hesse Cassel ...	...	...	...	...	100,000	
	Germany...	...	...	...	...	150,000	
	German Princes...	...	...	...	...	200,000	
							690,000
Total, 1793 to 1801, or till the Peace of Amiens ...							£15,104,000



THE *Moniteur* publishes the following monthly debtor and creditor account of the Bank of France, made up to the 10th of May:—

Certified by the Governor of the Bank, D'ARGOUT.

### POPULATION OF IRELAND FROM 1805 TO 1853.

POPULATION OF IRELAND FROM 1805 TO 1858.

Yrs.	Population.	Yrs.	Population.	Yrs.	Population.	Yrs.	Population.
1916...	5,395,456	1815...	6,142,977	1825...	7,172,748	1834...	7,887,534
1906...	5,400,447	1816...	6,240,147	1826...	7,268,596	1835...	7,927,959
1907...	5,526,244	1817...	6,355,177	1827...	7,368,729	1837...	7,958,655
1908...	5,592,792	1818...	6,464,013	1828...	7,464,756	1837...	8,009,527
1909...	5,660,162	1819...	6,574,712	1829...	7,561,896	1838...	8,050,639
1910...	5,728,343	1820...	6,687,300	1830...	7,664,974	1839...	8,091,902
1911...	5,797,347	1821...	6,801,827	1831...	7,767,401	1840...	8,133,405
1912...	5,867,181	1822...	6,897,719	1832...	7,870,241	1841...	8,175,124
1913...	5,937,556	1823...	6,994,936	1833...	7,947,326	1842...	8,217,055
1914...	6,039,544	1824...	7,073,124				

The number of persons returned for 1806 is the result of a computation made in that year by Major Newenham, based upon the returns furnished by the collectors of hearth money. The population for 1813 is partly the result of an enumeration, and partly of computation, no returns having been made for the following places, namely, the cities of Limerick and Kilkenny, and the counties of Meath, Westmeath, Wexford, Cavan, Donegal, and Sligo. The population for 1821, 1831, 1841, and 1851, is taken from the census returns made in these years under specific acts of Parliament.

The population as shown in this return, for the intermediate years, has been computed from the increases which took place between the periods from 1805 to 1813, from 1813 to 1821, from 1821 to 1831, from 1831 to 1841, and at the same rate from 1841 to 1846. In 1847, and the succeeding years, a considerable decrease is known to have taken place, but the annual amount is not known.

# Bankers' Weekly Circulation Returns.

Pursuant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTES.

## PRIVATE BANKS.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Mar. 24.	Mar. 31.	April 7.	April 14.
	£	£	£	£	£
1 Andover Bank .....	17,751	11,333	11,220	10,866	11,770
2 Ashford Bank .....	11,849	10,959	11,639	12,804	11,892
3 Aylsham Bank .....	5,854	4,867	4,452	4,342	4,486
4 Aylesbury Old Bank .....	48,461	28,861	28,389	29,569	30,730
5 Baldock and Biggleswade Bank ...	37,223	33,108	33,565	34,847	35,287
6 Barnstable Bank .....	17,182	9,935	10,094	9,774	9,551
7 Basingstoke and Odiham Bank ...	24,730	23,224	22,520	23,224	23,804
8 Bedford Bank .....	34,218	32,562	34,775	35,613	33,787
9 Bewdley Bank .....	18,597	11,166	11,357	10,888	10,977
10 Bicester and Oxfordshire Bank ...	27,090	14,158	14,570	14,812	16,525
11 Birmingham Bank—Attwoods & Co.	23,695	24,810	24,270	22,794	22,906
12 Birmingham and Warwickshire Bk.	18,132	10,263	10,645	10,116	10,613
13 Blandford Bank .....	9,723	8,151	8,164	8,062	8,093
14 Boston Bank—Garfit and Co. ....	75,069	64,697	70,728	76,615	77,025
15 Boston Bank—Gee and Co. ....	15,161	15,338	15,008	14,705	14,396
16 Bridgewater Bank .....	10,028	7,285	7,924	7,619	7,346
17 Bristol Bank .....	48,277	37,070	37,271	40,195	39,653
18 Broseley and Bridgenorth Bank ...	26,717	18,603	18,739	18,687	19,032
19 Buckingham Bank .....	29,557	23,842	23,730	23,410	25,673
20 Bury and Suffolk Bank .....	82,362	72,656	73,393	73,816	74,245
21 Banbury Bank .....	43,457	32,791	33,694	35,161	37,121
22 Banbury Old Bank .....	55,153	24,340	24,948	24,786	25,169
23 Bath City Bank .....	4,572	2,583	2,850	2,971	2,501
24 Bedfordshire Leighton Buzzard Bk.	36,829	35,098	35,662	36,534	38,980
25 Birmingham Bk.—Taylor & Lloyds	38,816	31,013	31,193	30,602	33,523
26 Bradford Old Bank .....	12,676	11,523	11,374	11,374	12,298
27 Brecon Old Bank .....	68,271	59,167	61,757	60,975	62,890
28 Brighton Union Bank .....	33,794	21,604	21,710	22,877	22,785
29 Burlington and Driffield Bank .....	12,745	12,270	12,610	12,517	12,678
30 Bury St. Edmund's Bank .....	3,201	2,767	2,966	3,139	3,247
31 Cambridge Bk.—Mortlock & Co.	25,744	16,528	17,426	18,031	18,489
32 Cambridge and Cambridgeshire Bk.	49,916	49,234	49,147	47,621	50,074
33 Canterbury Bank .....	33,671	31,055	30,801	32,085	33,223
34 Carmarthen Bank .....	23,597	21,510	21,145	21,147	20,630
35 Chertsey Bank .....	3,436	3,161	3,245	3,489	3,776
36 Colchester Bank .....	25,082	15,030	15,945	16,967	16,376
37 Colchester and Essex Bank .....	48,704	31,470	31,885	32,704	32,494
38 Cornish Bank—Tweedy & Co. ....	49,869	46,885	47,490	48,481	48,809
39 Coventry Bank .....	12,045	6,635	7,560	8,018	7,673
40 City Bank, Exeter .....	21,527	20,695	21,481	21,355	21,457
41 Craven Bank—Alcocks & Co. ....	77,154	70,951	71,243	73,145	74,226
42 Cardiff Bank .....	7,001	6,619	6,254	7,003	7,445
43 Chepstow Old Bank .....	9,387	8,733	9,146	9,180	9,972
44 Derby Bank—Messrs. Evans .....	13,332	10,958	12,600	12,074	11,177
45 Derby Bank—Smith and Co. ....	41,304	40,833	43,793	40,212	39,464
46 Derby Old Bank .....	27,237	26,630	28,371	27,290	26,201
47 Devizes and Wiltshire Bank .....	20,674	8,675	9,289	9,563	10,413
48 Diss Bank .....	10,657	10,050	10,681	10,126	10,572
49 Doncaster Bank and Retford Bank	77,400	73,632	74,835	78,838	77,669
50 Darlington Bank ..	86,218	87,209	87,050	84,641	84,022
51 Devonport Bank .....	10,664	10,660	10,558	10,657	10,301
52 Dorchester Old Bank .....	48,807	44,522	45,450	47,048	48,994
53 East Cornwall Bk.—Robins & Co.	112,280	94,855	95,340	98,191	96,948
54 East Riding Bank—Bower & Co.	53,392	50,866	52,147	53,632	54,275
55 Essex Bk. & Bishops Stortford Bk.	69,637	47,824	47,674	50,692	48,935
56 Exeter Bank .....	37,894	29,035	29,840	30,000	30,935
57 Fakenham Bank .....	24,293	21,040	20,587	20,638	20,810

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT.			
		Mar. 24.	Mar. 31.	April 7.	April 14.
	£	£	£	£	£
58 Faringdon Bk. & Bk. of Wantage	8,977	7,814	8,045	8,400	8,171
59 Farnham Bank	14,202	10,943	11,377	12,405	11,980
60 Faversham Bank	6,681	6,285	6,315	6,869	6,044
61 Godalming Bank	6,322	4,881	4,797	5,095	5,123
62 Guildford Bank	14,524	12,735	13,478	14,224	14,653
63 Grantham Bank—Hardy and Co.	30,372	29,095	30,173	29,679	29,429
64 Hastings Old Bank	38,038	29,137	29,933	31,012	31,248
65 Hereford City and County Bank	22,364	17,950	17,153	17,217	19,158
66 Hertford and Ware Bank	23,635	22,411	22,990	22,744	22,544
67 Hull & Kingston-upon-Hull Bank	19,979	19,131	19,394	21,175	19,945
68 Huntingdon Town & County Bank	56,591	52,815	53,058	53,034	55,516
69 Harwich Bank	5,778	4,507	4,941	5,500	5,405
70 Hemel Hempstead Bank	23,842	24,274	24,274	23,961	22,684
71 Hertfordshire, Hitchin Bank	38,764	36,126	38,258	39,050	39,030
72 Hereford, Ross, & Archenfield Bk.	27,625	20,350	20,935	20,232	21,104
73 Ipswich Bank	21,901	20,982	21,480	21,667	21,183
74 Ipswich & Needham Market Bank	80,699	63,900	65,662	67,619	66,240
75 Kentish Bank—Mercer & Co.	19,895	15,380	15,430	15,827	16,140
76 Kingston and Radnorshire Bank	26,050	21,806	21,617	23,431	23,548
77 Knighton Bank	9,090	9,488	9,115	9,013	8,670
78 Knaresborough Old Bank	21,825	21,430	21,537	21,809	21,742
79 Kendal Bank	44,663	41,432	41,603	43,331	44,136
80 Kettering Bank	9,122	9,711	8,964	8,670	9,152
81 Lane End Staffordshire Bank	5,624	5,409	5,291	5,395	5,317
82 Leeds Bank	53,357	53,235	53,237	54,136	52,560
83 Leeds Union Bank	37,459	37,070	37,010	37,945	37,530
84 Leicester Bank	32,322	30,166	30,993	30,934	29,929
85 Lewes Old Bank	44,836	27,455	27,889	28,197	28,417
86 Lichfield Bank	22,786	9,317	10,482	11,308	10,709
87 Lincoln Bank	100,342	87,238	90,928	97,529	98,071
88 Llandoverly Bank & Llandilo Bank	32,945	13,598	13,885	13,088	13,157
89 Loughborough Bank	7,359	7,281	7,577	7,156	6,759
90 Lymington Bank	5,038	3,807	4,102	3,785	4,115
91 Lynn Regis and Lincolnshire Bank	42,817	34,919	34,107	35,942	35,735
92 Lynn Regis and Norfolk Bank	13,917	12,181	12,101	13,290	13,167
93 Macclesfield Bank	15,760	11,977	11,995	12,846	12,485
94 Manningtree Bank	7,692	2,376	2,623	3,000	2,752
95 Merionethshire Bank	10,906	7,443	7,271	7,127	6,855
96 Miners' Bank	18,688	18,197	17,751	17,809	17,981
97 Monmouthshire Agricultural and Commercial Bank	29,335	28,955	27,815	30,768	29,300
98 Monmouth Old Bank	16,385	12,364	12,780	12,747	13,175
99 Newark Bank	28,788	23,738	25,270	26,963	27,400
100 Newark and Sleaford Bank	51,615	48,745	48,540	50,895	53,677
101 Newbury Bank	36,787	20,177	20,360	21,130	22,408
102 Newmarket Bank	23,098	19,215	20,103	20,062	20,543
103 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	47,745	49,130	49,371	49,607
104 Norwich and Norfolk Bank	75,372	69,334	71,461	74,409	74,285
105 Nottingham, Nottinghamshire	10,866	9,342	9,633	9,777	9,631
106 Nunceaton Bank	5,898	3,204	3,417	3,284	3,471
107 Naval Bank, Plymouth	27,321	26,488	27,493	28,635	26,526
108 New Sarum Bk.—Everett & Smith	15,659	12,646	12,563	12,808	12,892
109 Nottingham Bank	31,047	29,995	32,425	32,647	28,984
110 Oswestry Bank	18,471	12,375	12,157	12,775	13,005
111 Oxford Old Bank	34,391	32,328	33,250	32,681	33,009
112 Old Bank, Tonbridge	13,183	7,285	7,758	8,362	7,992
113 Oxfordshire Witney Bank	11,852	11,295	11,759	12,410	11,048
114 Pease's Old Bank, Hull	48,807	44,146	44,499	46,802	47,290
115 Penzance Bank	11,405	10,799	11,395	11,094	10,183
116 Peterborough Bank—Yorke & Co.	12,545	8,587	8,965	9,959	10,001

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Mar. 24.	Mar. 31.	April 7.	April 14.
	£	£	£	£	£
117 Pembrokeshire Bank .....	12,910	8,983	8,773	8,889	9,053
118 Reading Bank—Simmonds & Co. ....	37,519	28,803	28,807	29,207	29,986
119 Reading Bk.—Stephens & Blandy .....	43,271	27,022	28,533	29,964	30,189
120 Richmond Bank, Richmond .....	6,889	6,267	6,552	7,226	6,865
121 Rochdale Bank .....	5,590	4,343	4,488	4,625	4,681
122 Rochester, Chatham, & Strood Bk. ....	10,480	6,652	7,726	8,506	8,736
123 Royston Bank .....	16,393	15,877	15,968	16,370	16,840
124 Rugby Bank .....	17,250	8,969	9,525	9,836	10,111
125 Rye Bank .....	29,864	13,305	16,323	17,915	16,822
126 Ross Old Bank, Herefordshire .....	4,420	3,980	3,863	4,218	4,466
127 Saffron Walden & North Essex Bk. ....	47,646	30,661	30,334	31,233	31,372
128 Salop Bank .....	22,338	15,578	16,064	16,832	16,823
129 Scarborough Old Bank .....	24,813	24,044	24,238	24,578	24,725
130 Shrewsbury Old Bank .....	43,191	41,032	40,926	44,536	43,933
131 Sittingbourne and Milton Bank .....	4,789	2,625	2,681	2,708	2,691
132 Southampton Town & County Bk. ....	18,589	13,223	13,357	15,948	15,491
133 Southwell Bank .....	14,744	12,923	13,401	14,179	14,152
134 Southampton and Hampshire Bk. ....	6,770	3,368	3,717	3,760	3,701
135 Stone Bank .....	9,174	345	345	345	345
136 Stafford Old Bank .....	14,166	13,941	14,713	14,311	13,460
137 Stamford and Rutland Bank .....	31,858	30,114	30,557	31,276	32,307
138 Shrewsbury and Welsh Pool Bank .....	25,336	25,739	24,560	24,815	24,640
139 Taunton Bank .....	29,799	24,460	26,298	28,041	27,341
140 Tavistock Bank .....	13,421	8,415	8,910	9,060	9,866
141 Thornbury Bank .....	10,026	425	972	2,425	3,802
142 Tiverton and Devonshire Bank .....	13,470	9,808	10,185	10,550	10,401
143 Thrapstone and Kettering Bank .....	11,559	10,979	11,073	11,390	11,583
144 Tring Bank and Chesham Bank .....	13,531	12,524	13,114	13,858	13,796
145 Towcester Old Bank .....	10,801	8,171	8,075	8,389	8,201
146 Town and County of Poole Bk. .... and Ringwood and Poole Bk. ....	11,856	9,508	9,852	10,647	10,981
147 Union Bank, Cornwall .....	17,003	11,152	11,872	12,976	13,468
148 Uxbridge Old Bank .....	25,136	16,853	16,778	16,726	17,294
149 Wallingford Bank .....	17,064	7,887	7,844	7,784	8,000
150 Warwick and Warwickshire Bank .....	30,504	22,232	22,886	23,766	25,222
151 Wellington Bank, Somerset .....	6,528	2,734	2,763	2,743	3,008
152 West Riding Bank .....	46,158	46,893	46,298	46,056	44,757
153 Whitley Old Bank .....	14,258	13,476	13,701	14,470	14,277
154 Winchester, Alresford & Alton Bk. ....	25,892	18,738	19,405	20,676	20,710
155 Weymouth Old Bank .....	16,461	16,353	16,297	17,499	15,604
156 Wirksworth and Derbyshire Bk. ....	37,602	36,481	36,751	38,517	38,189
157 Wisbeach and Lincolnshire Bank .....	59,713	51,230	54,377	57,345	59,969
158 Wiveliscombe Bank .....	7,602	7,847	7,755	6,936	6,580
159 Wolverhampton Bk.—Goodricke .....	14,180	11,045	12,699	13,283	13,070
160 Worcester Bank .....	15,463	6,999	6,818	6,922	6,935
161 Worcester Old Bank .....	87,448	69,511	70,039	69,246	73,061
162 Worcestershire Bank .....	14,309	7,942	7,599	7,745	7,829
163 Wolverham. Bk.—R. & W. Fryer .....	11,867	11,934	11,922	11,143	10,815
164 Yarmouth and Suffolk Bank .....	53,060	41,844	42,313	43,227	43,281
165 Yarmouth, Norfolk, & Suffolk Bk. ....	13,229	11,716	13,088	13,343	12,987
166 York Bank .....	46,387	42,829	42,624	44,216	43,608

## JOINT STOCK BANKS.

1 Bank of Westmoreland .....	12,225	8,995	9,122	9,993	9,597
2 Barnsley Banking Company .....	9,463	9,582	9,592	9,278	9,218
3 Bradford Banking Company .....	49,292	49,530	47,884	48,567	50,783
4 Bilston District Banking Company .....	9,418	9,174	9,290	8,320	9,725
5 Bank of Whitehaven .....	32,681	29,241	29,330	29,986	30,090
6 Bradford Commercial Banking Co. ....	20,084	18,711	19,020	20,059	21,175
7 Burton, Uttoxeter, and Staffordshire Union Bank .....	60,701	59,175	63,349	61,094	57,205

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Mar. 24.	Mar. 31.	April 7.	April 14.
	£	£	£	£	£
8 Chesterfield & N. Derbysh. Bk. Co.	10,421	10,170	10,122	10,706	10,640
9 Cumberland Union Banking Co. ...	35,395	31,960	32,470	33,872	33,514
10 Cheltenham & Glo'stershire Bk. Co.	12,786	10,267	10,143	10,273	10,180
11 Coventry and Warwickshire Bk. Co.	28,734	24,904	25,260	25,531	25,509
12 Coventry Union Banking Company	16,251	12,723	13,907	13,877	14,175
13 County of Gloucester Banking Co.	144,352	107,474	109,172	113,208	114,784
14 Carlisle & Cumberland Banking Co.	25,610	23,655	23,515	25,357	25,715
15 Carlisle City and District Bank ...	19,972	19,323	20,310	20,286	19,796
16 Dudley & West Bromwich Bk. Co.	37,696	37,792	35,895	37,206	37,801
17 Derby and Derbyshire Banking Co.	20,093	20,614	18,865	19,594	19,756
18 Darlington Dist. Joint Stock Bk. Co.	26,134	23,803	24,277	23,720	25,445
19 East of England Bank .....	25,025	24,209	24,365	25,817	24,625
20 Gloucestershire Banking Company	155,920	149,017	154,934	160,559	158,154
21 Halifax Joint Stock Bank.....	18,534	18,976	19,017	17,634	17,522
22 Huddersfield Banking Company...	37,354	34,549	34,126	34,331	36,587
23 Hull Banking Company .....	29,333	27,810	27,915	28,908	29,915
24 Halifax Commercial Banking Co.	13,733	12,583	12,515	12,387	13,051
25 Halifax & Huddersfield Union Bk.	44,137	40,222	38,430	40,949	43,775
26 Helston Banking Company .....	1,503	1,469	1,519	1,456	1,387
27 Herefordshire Banking Company..	25,047	20,394	20,780	22,075	21,850
28 Knarborough and Claro Bk. Co.	28,059	27,980	27,288	27,341	29,185
29 Kingsbridge Joint Stock Bank ...	3,952	3,962	4,027	3,897	3,739
30 Lancaster Banking Company .....	64,311	57,763	58,794	61,853	63,113
31 Leeds Banking Company .....	23,076	23,637	23,587	23,455	21,398
32 Leicestershire Banking Company...	86,060	74,305	77,026	83,523	88,422
33 Lincoln and Lindsey Banking Co.	51,620	53,180	49,240	48,620	47,564
34 Leamington Priors and Warwick-shire Bank .....	13,875	11,986	12,308	13,161	13,035
35 Ludlow and Tenbury Bank .....	10,215	9,610	9,709	9,883	10,161
36 Moore & Robinson's Notts. Bank...	35,813	32,202	35,997	35,978	36,653
37 Nottingham and Notts. Banking Co.	29,477	27,255	27,826	29,379	30,010
38 National Provincial Bk. of England	442,371	438,288	441,733	425,683	421,308
39 North Wilts Banking Company ...	63,939	45,945	48,059	50,260	51,895
40 Northamptonshire Union Bank ...	84,356	82,782	81,145	83,666	87,501
41 Northamptonshire Banking Co. ...	26,401	25,321	26,175	28,553	25,729
42 North and South Wales Bank .....	63,951	41,864	47,798	48,263	47,799
43 Pare's Leicestershire Banking Co.	59,300	51,650	53,235	59,060	59,496
44 Saddleworth Banking Company ...	8,122	2,050	2,239	2,194	2,115
45 Sheffield Banking Company.....	35,843	35,913	36,048	35,857	34,716
46 Stamford, Spalding & Boston Bk. Co.	55,721	54,583	54,035	55,780	54,866
47 Stuckey's Banking Company .....	356,976	359,042	357,676	346,050	343,869
48 Shropshire Banking Company.....	47,951	39,113	39,442	39,103	36,832
49 Stourbridge and Kidderminster Bk.	56,830	56,114	57,425	56,085	56,661
50 Sheffield and Hallamshire Bank ...	23,524	24,673	24,646	22,900	21,702
51 Sheffield & Rotherham Jt. Stock Bk.	52,496	54,788	53,104	50,401	50,193
52 Swaledale and Wensleydale Bank..	54,372	49,189	51,588	52,772	52,608
53 Storey and Thomas's Bank .....	9,714	9,870	9,915	9,207	9,692
54 Wolverhampton & Staffordsh. Bk.	35,378	34,312	35,498	35,610	35,506
55 Wakefield and Barnsley Union Bk.	14,604	11,740	12,200	12,234	12,940
56 Whitehaven Joint Stock Bank ...	31,916	28,404	29,245	29,700	28,055
57 Warwick and Leamington Bk. Co.	37,124	30,552	31,557	33,580	33,138
58 West of England and South Wales District Bank .....	83,535	83,896	84,634	83,497	72,191
59 Wilts & Dorset Banking Company	76,162	76,252	76,421	75,815	71,709
60 West Riding Union Banking Co....	34,029	31,363	31,842	32,753	33,127
61 Whitechurch and Ellesmere Bk. Co.	7,475	5,921	6,501	7,074	7,144
62 Worcester City and County Bk. Co.	6,848	5,889	5,755	5,935	6,326
63 York Union Banking Company ...	71,240	66,685	69,136	70,891	70,400
64 York City and County Banking Co.	94,695	94,763	95,381	96,462	90,303
65 Yorkshire Banking Company .....	122,532	119,909	125,052	121,690	121,656

## SUMMARY OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	Mar. 24.	Mar. 31.	April 7.	April 14.
166 Private Banks.....	£4,600,718	£3,802,534	£3,878,766	£3,976,408	£3,993,005
65 Joint-Stock Banks..	3,325,857	3,119,073	3,158,411	3,173,208	3,154,998
231 Totals .....	7,926,575	6,921,607	7,037,177	7,149,616	7,148,003

*Average Weekly Circulation of these Banks for the month ending April 14th:—*

Private Banks .....	£3,912,678
Joint-Stock Banks .....	3,151,432

*Average Weekly Circulation of Private and Joint-Stock Banks ending as above £7,064,100*

On a comparison of the above with the Returns for the month ending 17th March last, it shows:—

An increase in the notes of Private Banks, of .....	£168,065
An increase in the notes of Joint-Stock Banks, of .....	119,165

Total increase on the month..... £287,230

And, as compared with the month ending

15th April, 1854, it shows—

An increase in the notes of Private Banks, of .....	£8,220
A decrease in the notes of Joint-Stock Banks, of .....	1,732

Total increase, as compared with the same period of last year .....

The following is the comparative state of the circulation, as regards the fixed issues—

The Private Banks are below their fixed issues.....	£688,040
The Joint-Stock Banks are below their fixed issues.....	174,435

Total below the fixed issues .....

## Irish and Scotch Circulation Returns.

*Average Circulation, and Coin held by the IRISH and SCOTCH BANKS during the four weeks ending Saturday, the 14th day of April, 1855.]*

### IRISH BANKS.

NAME OF BANK.	Authorised Circulation.	Average Circulation during Four Weeks, ending as above.			Average Amt. of Gold & Silver Coin held during Four Weeks ending as above.
		£s and upwards.	Under £s.	Total.	
	£	£	£	£	£
Bank of Ireland .....	3,738,428	2,002,275	1,314,525	3,316,800	842,436
Provincial Bank of Ireland .....	927,667	388,597	603,544	992,141	281,749
Belfast Bank .....	281,611	60,743	347,436	408,179	228,289
Northern Bank .....	243,440	36,818	217,699	254,517	99,030
Ulster Bank .....	311,079	59,081	343,767	402,848	135,514
National Bank of Ireland...	761,757	450,308	553,479	1,003,788	401,231
Carrick-on-Suir Nat. Bank .....	24,084	11,918	11,705	23,623	3,961
Clonmel National Bank ...	66,428	30,305	30,257	60,562	8,532
TOTALS (Irish Banks) ...	6,354,494	3,040,045	3,422,412	6,462,458	2,000,742

### SCOTCH BANKS.

Bank of Scotland .....	300,485	122,625	251,194	373,819	159,066
Boyal Bank of Scotland ...	183,000	64,324	111,428	175,752	58,462
British Linen Company .....	438,024	161,555	281,371	442,926	204,073
Commercial Bk. of Scotland .....	374,880	151,635	295,457	447,092	144,134
National Bank of Scotland..	297,024	102,166	207,849	310,016	80,787
Union Bank of Scotland and Banking Com. in Aberdeen .....	415,690	169,710	315,855	485,565	177,781
Edinburgh & Glasgow Bk...	136,657	65,972	84,818	150,790	49,609
Aberdeen Town and Co. Bk.	70,133	34,311	68,064	102,375	47,830
North of Scotland Bk. Co...	154,319	90,752	94,218	184,970	62,145
Dundee Banking Company .....	33,451	11,616	22,421	34,038	14,168
Eastern Bank of Scotland...	33,636	15,905	22,154	38,059	19,260
Western Bank of Scotland..	337,938	127,646	360,302	487,948	298,717
Clydesdale Banking Co. ...	104,028	53,441	99,119	152,560	92,067
City of Glasgow Bank .....	72,921	87,336	106,318	193,655	137,092
Caledonian Banking Co. ...	53,434	19,672	42,348	62,021	20,893
Perth Banking Company ...	38,656	14,075	28,319	42,394	18,414
Central Bank of Scotland...	42,933	23,860	35,100	58,960	22,685
TOTALS (Scotch Banks)...	3,087,209	1,316,601	2,426,335	3,742,940	1,607,183

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Mar. 24.	Mar. 31.	April 7.	A
	£	£	£	£	
8 Chesterfield & N. Derbysh. Bk. Co.	10,421	10,170	10,122	10,706	10
9 Cumberland Union Banking Co. ...	35,395	31,960	32,470	33,872	33
10 Cheltenham & Glo'stershire Bk. Co.	12,786	10,267	10,143	10,273	10
11 Coventry and Warwickshire Bk. Co.	28,734	24,904	25,260	25,531	25
12 Coventry Union Banking Company	16,251	12,723	13,907	13,877	14
13 County of Gloucester Banking Co.	144,352	107,474	109,172	113,208	114
14 Carlisle & Cumberland Banking Co.	25,610	23,655	23,515	25,357	25
15 Carlisle City and District Bank ...	19,972	19,323	20,310	20,286	19
16 Dudley & West Bromwich Bk. Co.	37,696	37,792	35,895	37,206	37
17 Derby and Derbyshire Banking Co.	20,093	20,614	18,865	19,594	19
18 Darlington Dist. Joint Stock Bk. Co.	26,134	23,803	24,277	23,720	25
19 East of England Bank .....	25,025	24,209	24,365	25,817	24
20 Gloucestershire Banking Company	155,920	149,017	154,934	160,559	158
21 Halifax Joint Stock Bank.....	18,534	18,976	19,017	17,634	17
22 Huddersfield Banking Company...	37,354	34,549	34,126	34,331	36
23 Hull Banking Company .....	29,333	27,810	27,915	28,908	29
24 Halifax Commercial Banking Co.	13,733	12,583	12,515	12,387	13
25 Halifax & Huddersfield Union Bk.	44,137	40,222	38,430	40,949	43
26 Helston Banking Company .....	1,503	1,469	1,519	1,456	1
27 Herefordshire Banking Company..	25,047	20,394	20,780	22,075	21
28 Knaresborough and Claro Bk. Co.	28,059	27,980	27,288	27,341	29
29 Kingsbridge Joint Stock Bank ...	3,952	3,962	4,027	3,897	3
30 Lancaster Banking Company .....	64,311	57,763	58,794	61,853	63
31 Leeds Banking Company .....	23,076	23,637	23,587	23,455	21
32 Leicestershire Banking Company...	86,060	74,305	77,026	83,523	88
33 Lincoln and Lindsey Banking Co.	51,620	53,180	49,240	48,620	47
34 Leamington Priors and Warwick- shire Bank .....	13,875	11,986	12,308	13,161	13
35 Ludlow and Tenbury Bank .....	10,215	9,610	9,709	9,883	10
36 Moore & Robinson's Notts. Bank...	35,813	32,202	35,997	35,978	36
37 Nottingham and Notts. Banking Co.	29,477	27,255	27,826	29,379	30
38 National Provincial Bk. of England	442,371	438,288	441,733	425,683	421
39 North Wilts Banking Company ...	63,939	45,945	48,059	50,260	51
40 Northamptonshire Union Bank ...	84,556	82,782	81,145	83,666	87
41 Northamptonshire Banking Co. ...	26,401	25,321	26,175	28,553	25
42 North and South Wales Bank .....	63,951	41,864	47,798	48,263	47
43 Pare's Leicestershire Banking Co.	59,300	51,650	53,235	59,060	59
44 Saddleworth Banking Company ...	8,122	2,050	2,239	2,194	2
45 Sheffield Banking Company.....	35,843	35,913	36,048	35,857	34
46 Stamford, Spalding & Boston Bk. Co.	55,721	54,583	54,035	55,780	54
47 Stuckey's Banking Company .....	356,976	359,042	357,676	346,050	343
48 Shropshire Banking Company.....	47,951	39,113	39,442	39,103	36
49 Stourbridge and Kidderminster Bk.	56,830	56,114	57,425	56,085	56
50 Sheffield and Hallamshire Bank ...	23,524	24,673	24,646	22,900	21
51 Sheffield & Rotherham Jt. Stock Bk.	52,496	54,788	53,104	50,401	50
52 Swaledale and Wensleydale Bank..	54,372	49,189	51,588	52,772	52
53 Storey and Thomas's Bank .....	9,714	9,870	9,915	9,207	9
54 Wolverhampton & Staffordsh. Bk.	35,378	34,312	35,498	35,610	35
55 Wakefield and Barnsley Union Bk.	14,604	11,740	12,200	12,234	12
56 Whitehaven Joint Stock Bank ...	31,916	28,404	29,245	29,700	28
57 Warwick and Leamington Bk. Co.	37,124	30,552	31,557	33,580	33
58 West of England and South Wales District Bank .....	83,535	83,896	84,634	83,497	72
59 Wilts & Dorset Banking Company	76,162	76,252	76,421	75,815	71
60 West Riding Union Banking Co....	34,029	31,363	31,842	32,753	33
61 Whitchurch and Ellesmere Bk. Co.	7,475	5,921	6,501	7,074	7
62 Worcester City and County Bk. Co.	6,848	5,889	5,755	5,935	6
63 York Union Banking Company ...	71,240	66,685	69,136	70,891	70
64 York City and County Banking Co.	94,695	94,763	95,381	96,462	90
65 Yorkshire Banking Company .....	122,532	119,909	125,052	121,690	121



# THE ENGLISH FUNDS.—Daily Prices from 28th April to 29th May, 1855, inclusive.

	28	30	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	
Bank Stock (div. 9 per Ct.)	210	211	211	211	211	209	209	209	209	211	200	200	200	210	208	208	208	208	208	208	208	209	209	209	209	209	209	209	209	209	209	209
3 per Ct. Red. Anns.	87	87	87	87	87	87	87	87	87	87	87	87	87	88	88	88	88	88	88	88	89	89	89	89	89	89	89	89	89	89	89	
3 per Ct. Consols Anns.	88	88	88	88	88	88	88	88	88	88	88	88	88	89	89	89	89	89	89	89	90	90	90	90	90	90	90	90	90	90	90	
New 3 per cent. Anns.	87	87	87	87	87	87	87	87	87	87	87	87	87	88	88	88	88	88	88	89	89	89	89	89	89	89	89	89	89	89	89	
5 per cent.	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	115	
Long Anns. Jan. 5, 1860	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	
Do. 10 years, Oct. 10, 1860	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	
Do. 20 years, Jan. 5, 1860	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	
Do. 30 years, A. 5, 1865	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	
India Stock (div. 10 per cent.)	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	
Do. under £500	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	
South Sea Stock, (div. 3 p.c.)	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	
Bank Stock for ac. 30th May	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	
Do. 30th May	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	
India Stock for ac. 30th May	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	
Ex. Bills £1000, 21d. per diam	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	
Do. Small do.	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	
Do. Advertiser	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	77	
Do. Bonds scrip A 1855 31p.c.	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	
Do. Scrip B 1859	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	99	

JOINT-STOCK BANKS.		Latest Prices.	
Australasia	£40 sb.,	50	0
British North American	100	26	0
Commercial of London	100	26	0
Colonial	100	26	0
London and Westminster	100	26	0
London Joint Stock.	100	26	0
Oriental Bank.	100	26	0
Provincial of Ireland	100	26	0
National of Ireland	100	26	0
National Provincial of England	100	26	0
South Australian	100	26	0
Union of Australia	100	26	0
London and County	100	26	0
London and County	100	26	0
English, Scottish, and Australia	100	26	0
Bank of India, China, and Australia	100	26	0
New South Wales	100	26	0

FOREIGN STOCKS		(28th May.)	
Brazilian Bonds, 5 per Cent.	99	99	99
Chilian Bonds, 6 per Cent.	97	97	97
Danish 5 per Cent.	97	97	97
Mexican 3 per Cent.	97	97	97
Peruvian 4 per Cent.	97	97	97
Portuguese Bonds, 4 per Cent.	97	97	97
Russian Bonds, 1825, 5 per Cent. in 2 Ster.	97	97	97
Do. 44 per cent.	97	97	97
Spanish Bonds 3 per Cent.	97	97	97
Do. 3 per Cent. Deferred	97	97	97
Turkish 6 per Cent.	97	97	97
(Dividends on the above payable in London.)	97	97	97
Austrian 5 per Cent.	97	97	97
Belgian Bonds, 44 per Cent.	97	97	97
Dutch 24 per Cent.	97	97	97
Do. 4 per Cent. Loan	97	97	97
French 44 per Cent., at Paris, May 26, 95f. 70c.	97	97	97
Do. 3 per Cent., ditto	97	97	97

The closing prices of the day are quoted.

## RAILWAY SHARES.

COMPANY.		Paid up		Prices	
				28th May.	
Caledonian	100	100	100	100	100
Great Northern	100	100	100	100	100
Great Western	100	100	100	100	100
London and Blackwall	100	100	100	100	100
London and Brighton	100	100	100	100	100
London and North-West	100	100	100	100	100
Midland	100	100	100	100	100
North-Eastern	100	100	100	100	100
North British	100	100	100	100	100
York, Newcastle, & Berwick	100	100	100	100	100
York & North Midland	100	100	100	100	100



## CIRCULATION RETURNS.

### SUMMARY OF IRISH & SCOTCH RETURNS TO APRIL 14, 1855

The Returns of Circulation of the Irish and Scotch Banks for the four weeks ending 14th April, when added together, give the following as the average weekly circulation of these banks during the past month, viz. :—

Average Circulation of the Irish Banks... £6,462,458  
Average Circulation of the Scotch Banks 3,742,940

Total Average Circulation of these Banks for the past month ..... £10,205,398

On comparing these amounts with the Returns for the month ending 17th March last, they show—

Decrease in the Circulation of Irish Banks £195,113  
Decrease in the Circulation of Scotch Banks 68,633

Total decrease on the month ..... £263,746

And, as compared with the month ending April 15th, 1854, they show—

Decrease in the Circulation of Irish Banks £178,933  
Decrease in the Circulation of Scotch Banks 91,158

Total decrease on the year..... £270,111

The fixed issues of the Irish and Banks at the present time are given *Banking Almanac*, as follows :—

8 Banks in Ireland, allowed to issue... £1  
18 Banks in Scotland, allowed to issue .. £1  
26 Banks in all, allowed to issue..... £1

The following appears, therefore, to comparative state of the circulation :—

Irish Banks are above their fixed issue .. £  
Scotch Banks are above their fixed issue .. £

Total above the fixed issue ..... £

The amounts of Gold and Silver held head offices of the several banks, during past month, have been as follows :—

Gold and Silver held by the Irish Banks £2  
Gold and Silver held by the Scotch Banks 1,

Total of Gold and Silver Coin ..... £3.

Being a decrease of £66,048 on the Irish Banks, and a decrease of £ on the part of the Scotch Banks, several amounts held by them during preceding month.

### CIRCULATION OF THE UNITED KINGDOM TO APRIL 14, 1855

The following is the state of the Note Circulation of the United Kingdom, for month ending the 14th April, 1855.

Circulation of Notes for the Month ending 14th April, as compared with the previous month :—

	Mar. 17.	April 14.	Increase.	Decrease.
Bank of England .....	£19,027,991	£19,685,567	£657,576	—
Private Banks .....	3,744,613	3,912,678	168,065	—
Joint-Stock Banks .....	3,032,257	3,151,422	119,165	—
Total in England .....	25,804,861	26,749,667	944,806	—
Scotland.....	3,811,573	3,742,940	—	68,633
Ireland.....	6,657,671	6,462,458	—	195,213
United Kingdom.....	£36,274,005	£36,955,065	£680,860	£263,846

The comparison of the month ending April 15th, 1854, with the month ending April 14th, 1855, shows a decrease in the Bank of England circulation of £2,270 an increase in Private Banks of £8,229, and a decrease in Joint-Stock Bank £1,732; being a total decrease in England of £2,264,491: while in Scotland there decrease of £91,158; and in Ireland a decrease of £178,953. Thus showing that month ending 14th April, as compared with the same period last year, present decrease of £2,264,491 in England, and a decrease of £2,534,602 in the United Kingdom.

The return of Bullion in the Bank of England, for the month ending April gives an aggregate amount in both departments of £15,057,161. On a comparison this with the Return for the month ending March 17th, there appears to be an increase of £1,542,855; and an increase of £874,543 as compared with the same period year.

The stock of specie held by the Banks in Scotland and Ireland during the month ending 14th April, was £3,607,925; being a decrease of £105,959 as compared with the return of the previous month, and an increase of £86,580 as compared with corresponding period last year.

# Bankers' Weekly Circulation Returns.

Pursuant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTES.

## PRIVATE BANKS.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		April 21.	April 28.	May 5.	May 12.
	£	£	£	£	£
1 Andover Bank .....	17,751	12,008	11,040	11,562	10,660
2 Ashford Bank .....	11,849	11,395	10,928	11,538	10,745
3 Aylsham Bank .....	5,854	5,076	4,608	4,896	5,067
4 Aylesbury Old Bank .....	48,461	31,215	30,960	30,948	31,278
5 Baldock and Biggleswade Bank ...	37,223	34,859	33,201	32,096	32,151
6 Barnstable Bank .....	17,182	10,235	10,494	9,455	9,089
7 Basingstoke and Odiham Bank ...	24,730	24,975	24,142	23,769	22,731
8 Bedford Bank .....	34,218	31,416	33,567	34,141	34,948
9 Bewdley Bank .....	18,597	10,610	10,987	11,743	11,267
10 Bicester and Oxfordshire Bank ...	27,090	16,421	15,220	15,544	15,210
11 Birmingham Bank—Attwoods & Co.	23,695	23,485	23,731	23,050	23,025
12 Birmingham and Warwickshire Bk.	18,132	11,275	10,829	10,492	9,971
13 Blandford Bank .....	9,723	8,207	8,063	7,816	7,041
14 Boston Bank—Garfit and Co. ....	75,069	71,932	68,551	70,044	78,404
15 Boston Bank—Gee and Co. ....	15,161	15,148	14,177	14,294	13,819
16 Bridgewater Bank .....	10,028	7,108	7,620	7,427	7,579
17 Bristol Bank .....	48,277	41,402	42,376	39,971	39,400
18 Broseley and Bridgenorth Bank ...	26,717	20,143	20,769	19,786	19,029
19 Buckingham Bank .....	29,557	25,144	25,683	24,316	23,708
20 Bury and Suffolk Bank .....	82,362	73,825	72,385	69,960	68,211
21 Banbury Bank .....	43,457	37,658	36,735	35,206	34,217
22 Banbury Old Bank .....	55,153	26,302	26,183	24,691	24,050
23 Bath City Bank .....	4,572	2,587	2,355	2,500	2,563
24 Bedfordshire Leighton Buzzard Bk.	36,829	37,269	36,152	36,197	34,800
25 Birmingham Bk.—Taylor & Lloyds	38,816	34,422	32,470	32,568	32,232
26 Bradford Old Bank .....	12,676	13,812	13,172	12,336	11,192
27 Brecon Old Bank .....	68,271	62,281	62,507	63,723	65,663
28 Brighton Union Bank .....	33,794	22,450	22,305	21,821	21,719
29 Burlington and Driffield Bank .....	12,745	12,090	12,560	12,542	12,461
30 Bury St. Edmund's Bank .....	3,201	3,287	3,425	3,015	2,640
31 Cambridge Bk.—Mortlock & Co.	25,744	17,139	16,647	16,780	15,712
32 Cambridge and Cambridgeshire Bk.	49,916	47,651	48,593	49,343	48,657
33 Canterbury Bank .....	33,671	33,955	34,050	33,850	31,433
34 Carmarthen Bank .....	23,597	20,836	20,739	21,235	21,697
35 Chertsey Bank .....	3,436	3,507	3,703	3,276	2,626
36 Colchester Bank .....	25,082	16,235	15,825	15,927	15,312
37 Colchester and Essex Bank .....	48,704	32,762	33,182	34,130	33,658
38 Cornish Bank—Tweedy & Co. ...	49,869	48,795	46,920	46,696	46,312
39 Coventry Bank .....	12,045	7,260	6,997	6,867	6,645
40 City Bank, Exeter .....	21,527	21,313	21,345	21,320	20,328
41 Craven Bank—Alcocks & Co. ...	77,154	74,712	76,834	77,211	77,223
42 Cardiff Bank .....	7,001	7,253	6,810	6,649	6,689
43 Chepstow Old Bank .....	9,387	9,520	8,896	9,018	8,748
44 Derby Bank—Messrs. Evans .....	13,332	10,722	10,759	11,278	11,351
45 Derby Bank—Smith and Co. ....	41,304	43,273	41,651	39,598	38,320
46 Derby Old Bank .....	27,237	27,075	27,468	26,641	27,101
47 Devizes and Wiltshire Bank .....	20,674	10,469	10,100	9,462	9,186
48 Diss Bank .....	10,657	10,350	10,400	10,220	10,255
49 Doncaster Bank and Retford Bank	77,400	74,024	74,950	75,489	75,704
50 Darlington Bank .....	86,218	84,718	85,067	86,928	88,014
51 Devonport Bank .....	10,664	10,469	10,570	10,085	9,634
52 Dorchester Old Bank .....	48,807	49,389	48,399	47,762	47,310
53 East Cornwall Bk.—Robins & Co.	112,280	97,183	97,708	95,763	93,461
54 East Riding Bank—Bower & Co.	53,392	51,668	51,535	52,966	52,193
55 Essex Bk. & Bishops Stortford Bk.	69,637	48,045	48,279	47,513	46,324
56 Exeter Bank .....	37,894	30,981	30,115	29,474	28,942
57 Fakenham Bank .....	24,293	20,248	20,631	20,698	20,247

# Bank of England Weekly Returns.

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the Weeks ending as follows.

## ISSUE DEPARTMENT.

	1855. April 21st.	1855. April 28th.	1855. May 5th.	1855. May 12th.
Notes issued.....	£ 28,372,290	£ 28,791,785	£ 28,911,030	£ 29,336,510
Government debt.....	11,015,100	11,015,100	11,015,100	11,015,100
Other securities .....	2,984,900	2,984,900	2,984,900	2,984,900
Gold coin and bullion .....	14,372,290	14,791,785	14,911,030	15,336,510
Silver bullion .....	—	—	—	—
	28,372,290	28,791,785	28,911,030	29,336,510

## BANKING DEPARTMENT.

	1855. April 21st.	1855. April 28th.	1855. May 5th.	1855. May 12th.
Proprietors' capital.....	£ 14,553,000	£ 14,553,000	£ 14,553,000	£ 14,553,000
Reserve .....	2,127,862	2,131,759	2,136,435	2,165,785
Public deposits (including Ex- chequer, Savings Banks, Com- missioners of National Debt, and Dividend Accounts) .....	4,450,664	4,466,013	4,357,590	2,733,906
Other deposits .....	13,019,567	13,173,482	12,645,651	12,295,297
Seven day and other bills .....	928,357	973,073	1,000,536	1,028,140
	36,079,480	36,298,266	35,763,212	33,686,040
Government securities (including Dead Weight Annuity) .....	14,274,373	14,314,373	13,591,373	11,016,374
Other securities .....	13,032,442	12,944,234	12,731,050	12,543,000
Notes .....	8,089,425	8,432,103	8,742,600	9,417,173
Gold and silver coin .....	683,210	707,624	708,189	708,091
	36,079,480	36,298,266	35,763,212	33,686,040

## The Exchanges.

	April 20th.	April 27th.	May 4th.	May 11th.
Amsterdam, short ..	11 19	11 18½	11 18½	11 18½
Ditto 3 months..	12 1½	12½	12½	12½
Rotterdam, ditto ..	12 1½	12½	12½	12½
Antwerp, ditto ..	25 50	25 47½	25 45	25 43½
Brussels, ditto ..	25 50	25 47½	25 45	25 43½
Hamburg, ditto.....	13 9	13 8½	13 7½	13 7½
Paris, short .....	25 27½	25 23½	25 23½	25 23½
Paris, 3 months .....	25 52½	25 50	25 47½	25 43½
Marseilles, ditto .....	25 55	25 50	25 47½	25 45
Frankfort, ditto .....	119½	119½	119½	119½
Vienna, ditto .....	12 40	12 50	12 52	12 50
Trieste, ditto .....	12 44	12 52	12 54	12 52
Petersburgh, ditto ..	35½	35½	35½	35½
Madrid, ditto .....	49½	49½	49½	49½
Cadix, ditto .....	50	49½	49½	50
Leghorn, ditto .....	30 25	30 25	30 25	30 27½
Genoa, ditto .....	25 57½	25 50	25 57½	25 57½
Naples, ditto .....	43½	43½	43½	43½
Palermo, ditto .....	131½	131½	131½	131½
Messina, ditto .....	131½	131½	132	131½
Lisbon, 60 days' date	53½	53½	53½	53½
Oporto, ditto .....	53½	53½	53½	53½
Rio Janeiro, ditto ..	—	—	—	—

## PRICES OF BULLION.

	Per Ounce.	Per Ounce.	Per Ounce.	Per Ounce.
Foreign Gold in Bars ..	£3 17 9	£3 17 9	£3 17 9	£3 17 9
(Standard) .....	0 4 10½	0 4 10½	0 4 10½	0 4 11½
Mexican Dollars .....	0 5 6½	0 5 6½	0 5 6½	0 5 6½
Silver in Bars (Stand.)..	—	—	—	—

# Bankers' Weekly Circulation Returns.

Pursuant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTES.

## PRIVATE BANKS.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		April 21.	April 28.	May 5.	May 12.
	£	£	£	£	£
1 Andover Bank .....	17,751	12,008	11,040	11,562	10,660
2 Ashford Bank .....	11,849	11,395	10,928	11,538	10,745
3 Aylsham Bank .....	5,854	5,076	4,608	4,896	5,067
4 Aylesbury Old Bank .....	48,461	31,215	30,960	30,948	31,278
5 Baldock and Biggleswade Bank ...	37,223	34,859	33,201	32,096	32,151
6 Barnstaple Bank .....	17,182	10,235	10,494	9,455	9,089
7 Basingstoke and Odiham Bank ...	24,730	24,975	24,142	23,769	22,731
8 Bedford Bank .....	34,218	31,416	33,567	34,141	34,948
9 Bewdley Bank .....	18,597	10,610	10,987	11,743	11,267
10 Bicester and Oxfordshire Bank ...	27,090	16,421	15,220	15,544	15,210
11 Birmingham Bank—Attwoods & Co.	23,695	23,485	23,731	23,050	23,025
12 Birmingham and Warwickshire Bk.	18,132	11,275	10,829	10,492	9,971
13 Blandford Bank .....	9,723	8,207	8,063	7,816	7,041
14 Boston Bank—Garfit and Co. ....	75,069	71,932	68,551	70,044	78,404
15 Boston Bank—Gee and Co. ....	15,161	15,148	14,177	14,294	13,819
16 Bridgewater Bank .....	10,028	7,108	7,620	7,427	7,579
17 Bristol Bank .....	48,277	41,402	42,376	39,971	39,400
18 Broseley and Bridgenorth Bank ...	26,717	20,143	20,769	19,786	19,029
19 Buckingham Bank .....	29,557	25,144	25,683	24,316	23,708
20 Bury and Suffolk Bank .....	82,362	73,825	72,385	69,960	68,211
21 Banbury Bank .....	43,457	37,658	36,735	35,206	34,217
22 Banbury Old Bank .....	55,153	26,302	26,183	24,691	24,050
23 Bath City Bank .....	4,572	2,587	2,355	2,500	2,563
24 Bedfordshire Leighton Buzzard Bk.	36,829	37,269	36,152	36,197	34,800
25 Birmingham Bk.—Taylor & Lloyds	38,816	34,422	32,470	32,568	32,232
26 Bradford Old Bank .....	12,676	13,812	13,172	12,336	11,192
27 Brecon Old Bank .....	68,271	62,281	62,507	63,723	65,663
28 Brighton Union Bank .....	33,794	22,450	22,305	21,821	21,719
29 Burlington and Driffield Bank .....	12,745	12,090	12,560	12,542	12,461
30 Bury St. Edmund's Bank .....	3,201	3,287	3,425	3,015	2,640
31 Cambridge Bk.—Mortlock & Co.	25,744	17,139	16,647	16,780	15,712
32 Cambridge and Cambridgeshire Bk.	49,916	47,651	48,593	49,343	48,657
33 Canterbury Bank .....	33,671	33,955	34,050	33,850	31,433
34 Carmarthen Bank .....	23,597	20,836	20,739	21,235	21,697
35 Chertsey Bank .....	3,436	3,507	3,703	3,276	2,626
36 Colchester Bank .....	25,082	16,235	15,825	15,927	15,312
37 Colchester and Essex Bank .....	48,704	32,762	33,182	34,130	33,658
38 Cornish Bank—Tweedy & Co. ...	49,869	48,795	46,920	46,696	46,312
39 Coventry Bank .....	12,045	7,260	6,997	6,867	6,645
40 City Bank, Exeter .....	21,527	21,313	21,345	21,320	20,328
41 Craven Bank—Aleocks & Co. ...	77,154	74,712	76,834	77,211	77,223
42 Cardiff Bank .....	7,001	7,253	6,810	6,649	6,689
43 Chepstow Old Bank .....	9,387	9,520	8,896	9,018	8,748
44 Derby Bank—Messrs. Evans .....	13,332	10,722	10,759	11,278	11,351
45 Derby Bank—Smith and Co. ....	41,304	43,273	41,651	39,598	38,320
46 Derby Old Bank .....	27,237	27,075	27,468	26,641	27,101
47 Devizes and Wiltshire Bank .....	20,674	10,469	10,100	9,462	9,186
48 Diss Bank .....	10,657	10,350	10,410	10,220	10,255
49 Doncaster Bank and Retford Bank	77,400	74,024	74,950	75,489	75,704
50 Darlington Bank .....	86,218	84,718	85,067	86,928	88,014
51 Devonport Bank .....	10,664	10,469	10,570	10,085	9,634
52 Dorchester Old Bank .....	48,807	49,389	48,399	47,762	47,310
53 East Cornwall Bk.—Robins & Co.	112,280	97,183	97,708	95,763	93,461
54 East Riding Bank—Bower & Co.	53,392	51,668	51,535	52,966	52,193
55 Essex Bk. & Bishops Stortford Bk.	69,637	48,045	48,279	47,513	46,324
56 Exeter Bank .....	37,894	30,981	30,115	29,474	28,942
57 Fakenham Bank .....	24,293	20,248	20,631	20,698	20,247

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		April 21.	April 28.	May 5.	May 12.
	£	£	£	£	£
58 Faringdon Bk. & Bk. of Wantage	8,977	8,233	8,102	8,588	8,488
59 Farnham Bank	14,102	11,568	11,660	11,903	11,990
60 Faversham Bank	6,681	5,747	5,992	5,936	5,652
61 Godalming Bank	6,322	5,157	4,977	5,240	5,425
62 Guildford Bank	14,524	14,350	13,455	13,920	15,088
63 Grantham Bank—Hardy and Co.	30,372	28,604	29,477	30,018	31,624
64 Hastings Old Bank	38,038	30,612	30,028	29,047	29,159
65 Hereford City and County Bank	22,364	19,335	18,791	19,954	18,759
66 Hertford and Ware Bank	23,635	22,483	21,710	21,198	19,646
67 Hull & Kingston-upon-Hull Bank	19,979	21,105	20,205	19,248	18,482
68 Huntingdon Town & County Bank	56,591	56,632	55,307	54,188	54,430
69 Harwich Bank	5,778	5,241	5,183	5,302	4,967
70 Hemel Hempstead Bank	23,842	22,625	23,175	22,981	23,155
71 Hertfordshire, Hitchin Bank	38,764	38,937	38,911	37,090	37,317
72 Hereford, Ross, & Archenfield Bk.	27,625	21,015	20,638	21,494	20,715
73 Ipswich Bank	21,901	21,194	21,176	20,719	20,284
74 Ipswich & Needham Market Bank	80,699	65,215	65,328	65,884	64,146
75 Kentish Bank—Mercer & Co.	19,895	15,295	13,694	13,543	13,302
76 Kingston and Radnorshire Bank	26,050	23,769	23,055	22,144	21,913
77 Knighton Bank	9,090	8,724	8,971	9,180	9,437
78 Knaresborough Old Bank	21,825	21,714	21,641	21,660	21,393
79 Kendal Bank	44,663	44,843	45,827	44,970	42,668
80 Kettering Bank	9,192	9,550	9,315	8,515	8,954
81 Lane End Staffordshire Bank	5,624	4,994	5,175	5,102	4,657
82 Leeds Bank	53,357	53,295	53,540	53,469	52,211
83 Leeds Union Bank	37,459	37,568	37,284	37,183	37,722
84 Leicester Bank	34,322	29,831	30,463	29,521	31,159
85 Lewes Old Bank	44,836	28,667	28,353	27,425	28,221
86 Lichfield Bank	22,786	10,394	10,491	9,525	9,359
87 Lincoln Bank	100,342	95,673	92,340	92,345	92,993
88 Llandovery Bank & Llandilo Bank	32,945	12,993	12,053	12,856	18,096
89 Loughborough Bank	7,359	7,444	7,276	7,434	7,129
90 Lymington Bank	5,038	4,159	4,381	4,270	4,393
91 Lynn Regis and Lincolnshire Bank	42,817	36,816	36,595	35,108	37,315
92 Lynn Regis and Norfolk Bank	13,917	13,580	13,270	13,051	12,215
93 Macclesfield Bank	15,760	12,231	12,859	13,340	13,645
94 Manningtree Bank	7,692	2,868	3,172	2,942	2,544
95 Merionethshire Bank	10,906	7,616	7,749	7,110	7,737
96 Miners' Bank	18,688	18,581	17,589	17,314	17,675
97 Monmouthshire Agricultural and Commercial Bank	29,335	28,334	27,445	27,901	28,506
98 Monmouth Old Bank	16,385	13,821	12,942	14,434	15,181
99 Newark Bank	28,788	26,430	26,373	26,419	27,150
100 Newark and Sleaford Bank	51,615	47,588	49,155	52,180	54,136
101 Newbury Bank	36,787	22,618	22,843	22,154	21,345
102 Newmarket Bank	23,098	20,811	21,213	20,537	19,803
103 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	49,617	48,496	47,409	46,367
104 Norwich and Norfolk Bank	75,372	70,348	72,693	72,599	72,310
105 Nottingham, Nottinghamshire	10,866	10,282	10,519	11,146	10,985
106 Nuneaton Bank	5,898	3,402	3,351	3,315	3,370
107 Naval Bank, Plymouth	27,321	25,814	26,356	27,109	27,274
108 New Sarum Bk.—Everett & Smith	15,659	12,919	13,007	12,294	12,336
109 Nottingham Bank	31,047	29,545	32,495	31,063	30,808
110 Oswestry Bank	18,471	12,430	12,282	13,045	12,716
111 Oxford Old Bank	34,391	31,787	32,968	34,623	34,623
112 Old Bank, Tonbridge	13,183	8,195	8,130	8,160	8,240
113 Oxfordshire Witney Bank	11,852	11,011	11,149	10,984	10,631
114 Pease's Old Bank, Hull	48,807	47,060	46,734	45,350	46,502
115 Penzance Bank	11,405	10,308	10,295	10,901	10,585
116 Peterborough Bank—Yarke & Co.	12,545	9,105	10,438	10,245	9,260

# **WEEKLY RETURNS OF BANKS OF ISSUE.**

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		April 21.	April 28.	May 5.	May 12.
	£	£	£	£	£
117 Pembrokehire Bank .....	12,910	9,701	9,315	8,847	8,764
118 Reading Bank—Simmonds & Co. ....	37,519	30,233	30,913	32,463	31,447
119 Reading Bk.—Stephens & Blandy .....	43,271	30,733	30,524	31,453	30,017
120 Richmond Bank, Richmond .....	6,889	6,906	6,947	6,650	6,730
121 Rochdale Bank .....	5,590	4,955	4,983	4,763	4,853
122 Rochester, Chatham, & Strood Bk. ....	10,480	7,937	7,782	8,559	7,935
123 Royston Bank .....	16,393	16,304	16,399	16,548	14,739
124 Rugby Bank .....	17,250	9,952	9,750	10,430	10,084
125 Rye Bank .....	29,864	15,457	14,823	14,034	13,893
126 Ross Old Bank, Herefordshire ...	4,420	4,076	3,772	4,092	4,942
127 Saffron Walden & North Essex Bk. ....	47,646	30,915	30,211	29,857	28,675
128 Salop Bank .....	22,338	17,097	15,791	15,920	15,667
129 Scarborough Old Bank .....	24,813	24,565	24,370	24,049	23,827
130 Shrewsbury Old Bank .....	43,191	43,895	41,823	41,492	40,177
131 Sittingbourne and Milton Bank ...	4,789	2,808	3,177	3,045	3,022
132 Southampton Town & County Bk. ....	18,589	15,065	14,164	14,458	14,483
133 Southwell Bank .....	14,744	14,013	13,592	13,730	12,649
134 Southampton and Hampshire Bk. ....	6,770	3,438	3,384	3,674	3,720
135 Stone Bank .....	9,154	345	345	345	345
136 Stafford Old Bank .....	14,166	13,697	13,237	13,656	14,096
137 Stamford and Rutland Bank .....	31,858	32,987	34,515	32,115	26,910
138 Shrewsbury and Welsh Pool Bank .....	25,336	25,985	24,392	24,775	23,113
139 Taunton Bank .....	29,799	27,328	26,545	26,338	26,022
140 Tavistock Bank .....	13,421	10,050	9,952	9,416	10,332
141 Thornbury Bank .....	10,026	3,448	4,340	4,768	4,541
142 Tiverton and Devonshire Bank ...	13,470	10,049	9,966	10,105	9,940
143 Thrapstone and Kettering Bank ..	11,559	11,730	11,025	11,157	11,387
144 Tring Bank and Chesham Bank ..	13,531	13,688	13,701	13,146	12,907
145 Towcester Old Bank .....	10,801	8,463	8,670	8,640	8,342
146 Town and County of Poole Bk. and Ringwood and Poole Bk. ....	11,856	11,718	12,424	12,124	10,705
147 Union Bank, Cornwall .....	17,003	11,032	10,943	12,347	13,067
148 Uxbridge Old Bank .....	25,136	17,546	17,997	16,906	16,267
149 Wallingford Bank .....	17,064	8,145	7,598	7,584	7,574
150 Warwick and Warwickshire Bank ..	30,504	24,832	25,457	25,157	25,539
151 Wellington Bank, Somerset .....	6,528	2,982	2,795	2,594	2,598
152 West Riding Bank .....	46,158	45,199	45,066	45,641	45,948
153 Whitby Old Bank .....	14,258	14,294	14,365	14,253	13,935
154 Winchester, Alresford & Alton Bk. ....	25,892	20,665	20,678	19,645	19,131
155 Weymouth Old Bank .....	16,461	15,100	15,519	15,769	14,965
156 Wirksworth and Derbyshire Bk. ....	37,602	36,391	36,387	36,931	36,736
157 Wisbeach and Lincolnshire Bank ..	59,713	60,378	56,525	57,353	57,025
158 Wiveliscombe Bank .....	7,602	6,624	6,373	6,073	6,265
159 Wolverhampton Bk.—Goodricke ..	14,180	11,589	11,872	12,122	11,469
160 Worcester Bank .....	15,463	7,458	7,443	7,297	6,953
161 Worcester Old Bank .....	87,448	74,575	75,522	74,466	72,315
162 Worcestershire Bank .....	14,309	8,571	8,354	7,817	7,471
163 Wolverham. Bk.—R. & W. Fryer ..	11,867	11,202	11,296	11,409	11,841
164 Yarmouth and Suffolk Bank .....	53,060	42,287	44,434	45,470	42,450
165 Yarmouth, Norfolk, & Suffolk Bk. ....	13,229	13,108	12,760	12,772	12,444
166 York Bank .....	46,387	43,782	43,408	43,702	43,251

## **JOINT STOCK BANKS.**

1 Bank of Westmoreland .....	12,225	10,911	10,475	10,985	11,318
2 Barnsley Banking Company .....	9,463	9,489	9,399	9,292	9,357
3 Bradford Banking Company .....	49,292	51,599	50,724	47,635	46,860
4 Bilston District Banking Company ..	9,418	9,030	9,325	9,000	9,506
5 Bank of Whitehaven .....	32,681	31,374	31,665	31,690	31,866
6 Bradford Commercial Banking Co. ....	20,084	21,952	20,683	18,835	18,551
7 Burton, Uttoxeter, and Staffordshire Union Bank .....	60,702	58,745	60,494	62,656	60,120

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		April 21.	April 28.	May 5.	May
	£	£	£	£	£
8 Chesterfield & N. Derbysh. Bk. Co.	10,421	10,450	10,361	10,173	10,4
9 Cumberland Union Banking Co....	35,395	33,808	35,260	36,440	34,6
10 Cheltenham & Glo'stershire Bk. Co.	12,786	10,697	10,197	10,048	10,4
11 Coventry and Warwickshire Bk. Co.	28,734	25,515	25,690	26,138	24,4
12 Coventry Union Banking Company	16,251	14,788	15,032	15,002	15,4
13 County of Gloucester Banking Co.	144,352	117,421	116,577	115,419	114,3
14 Carlisle & Cumberland Banking Co.	25,610	25,653	26,000	25,924	24,7
15 Carlisle City and District Bank ...	19,972	20,402	20,332	19,516	19,5
16 Dudley & West Bromwich Bk. Co.	37,696	35,436	35,636	36,427	36,11
17 Derby and Derbyshire Banking Co.	20,093	20,457	19,780	19,612	19,2
18 Darlington Dist. Joint Stock Bk. Co.	26,134	26,556	27,365	25,112	24,8
19 East of England Bank .....	25,025	24,375	24,155	24,875	24,81
20 Gloucestershire Banking Company	155,920	153,480	152,789	148,151	146,81
21 Halifax Joint Stock Bank.....	18,534	18,699	18,410	18,626	18,2
22 Huddersfield Banking Company...	37,354	36,787	35,415	35,200	36,61
23 Hull Banking Company .....	29,333	29,933	29,897	20,972	28,8
24 Halifax Commercial Banking Co...	13,733	13,870	14,010	13,545	13,21
25 Halifax & Huddersfield Union Bk.	44,137	44,821	43,945	42,785	41,6
26 Helston Banking Company .....	1,503	1,478	1,490	1,530	1,3
27 Herefordshire Banking Company..	25,047	22,740	21,834	23,203	23,2
28 Knaresborough and Claro Bk. Co.	28,059	28,360	28,106	27,585	27,7
29 Kingsbridge Joint Stock Bank ....	3,952	3,872	3,820	3,936	3,9
30 Lancaster Banking Company .....	64,311	64,810	63,433	64,608	63,81
31 Leeds Banking Company .....	23,076	22,748	23,484	23,838	21,5
32 Leicestershire Banking Company...	86,060	89,265	87,052	81,102	79,8
33 Lincoln and Lindsey Banking Co..	51,620	45,318	47,795	49,765	52,8
34 Leamington Priors and Warwick- shire Bank .....	13,875	13,279	14,293	13,366	13,4
35 Ladbroke and Tenbury Bank .....	10,215	10,194	10,348	10,316	9,6
36 Moore & Robinson's Notts. Bank...	35,813	35,557	37,078	34,873	33,7
37 Nottingham and Notts. Banking Co.	29,477	29,540	28,664	27,626	28,24
38 National Provincial Bk. of England	424,371	424,015	418,724	418,274	416,6
39 North Wilts Banking Company ...	63,939	53,110	53,057	50,280	50,0
40 Northamptonshire Union Bank ...	84,356	86,181	84,201	82,054	81,2
41 Northamptonshire Banking Co. ...	26,401	22,655	22,885	23,885	24,1
42 North and South Wales Bank .....	63,951	48,809	49,399	49,584	48,5
43 Paro's Leicestershire Banking Co...	59,300	59,766	58,980	56,872	56,5
44 Saddleworth Banking Company ...	8,122	2,215	2,229	1,960	1,8
45 Sheffield Banking Company .....	35,843	35,484	34,982	35,388	36,1
46 Stamford, Spalding & Boston Bk. Co.	55,721	53,461	54,861	48,660	48,3
47 Stuckey's Banking Company .....	356,976	352,762	354,084	355,177	344,8
48 Shropshire Banking Company .....	47,951	36,652	37,746	35,434	35,2
49 Stourbridge and Kidderminster Bk.	56,830	57,134	56,700	56,746	55,5
50 Sheffield and Hallamshire Bank ...	23,524	21,855	22,640	24,132	24,7
51 Sheffield & Rotherham Jt. Stock Bk.	52,496	53,046	52,869	53,127	48,7
52 Swaledale and Wensleydale Bank..	54,372	52,850	53,234	53,185	52,5
53 Storey and Thomas's Bank .....	9,714	9,799	10,005	8,793	9,2
54 Wolverhampton & Staffordsh. Bk..	35,378	32,905	33,610	32,117	32,3
55 Wakefield and Barnsley Union Bk.	14,604	13,359	13,579	13,399	13,7
56 Whitehaven Joint Stock Bank ...	31,916	29,665	30,011	29,604	29,1
57 Warwick and Leamington Bk. Co.	37,124	30,898	29,962	29,052	30,8
58 West of England and South Wales District Bank .....	83,535	78,629	77,923	77,768	80,81
59 Wilts & Dorset Banking Company	76,162	68,062	69,580	72,412	74,3
60 West Riding Union Banking Co....	34,029	32,727	33,147	32,735	33,5
61 Whitechurch and Ellesmere Bk. Co.	7,475	7,480	7,449	7,589	6,6
62 Worcester City and County Bk. Co.	6,848	6,990	6,641	6,355	6,2
63 York Union Banking Company ...	71,240	69,227	68,606	69,520	70,1
64 York City and County Banking Co.	94,695	90,506	91,039	93,977	92,9
65 Yorkshire Banking Company .....	122,532	119,608	117,999	121,074	128,3



## SUMMARY OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	April 21.	April 28.	May 5.	May 12.
166 Private Banks.....	£4,600,718	£3,977,880	£3,944,434	£3,932,228	£3,895,863
65 Joint-Stock Banks..	3,325,857	3,173,259	3,167,155	3,141,969	3,123,130
231 Totals .....	7,926,575	7,151,139	7,111,589	7,076,197	7,018,993

*Average Weekly Circulation of these Banks for the month ending May 12th:—*

Private Banks .....	£3,937,601
Joint-Stock Banks .....	3,151,878

*Average Weekly Circulation of Private and Joint-Stock Banks ending as above* £7,089,479

On a comparison of the above with the Returns for the month ending 14th April last, it shows:—

An increase in the notes of Private Banks, of .....	£24,923
An increase in the notes of Joint-Stock Banks, of .....	456
Total increase on the month.....	£25,379

And, as compared with the month ending 18th May, 1854, it shows—

A decrease in, the notes of Private Banks, of .....	£12,428
An increase in the notes of Joint-Stock Banks, of .....	16,690

Total increase, as compared with the same period of last year .....

The following is the comparative state of the circulation, as regards the fixed issues—	£4,365
The Private Banks are below their fixed issues.....	£663,117
The Joint-Stock Banks are below their fixed issues.....	173,979
Total BELOW the fixed issues .....	£837,096

## Irish and Scotch Circulation Returns.

*Average Circulation, and Coin held by the IRISH and SCOTCH BANKS during the four weeks ending Saturday, the 12th day of May, 1855.*

### IRISH BANKS.

NAME OF BANK.	Authorised Circulation.	Average Circulation during Four Weeks, ending as above.			Average Amt. of Gold & Silver Coin held during Four Weeks ending as above.
		£s and upwards.	Under £s.	Total.	
	£	£	£	£	£
Bank of Ireland .....	3,738,428	2,067,050	1,255,875	3,322,925	843,540
Provincial Bank of Ireland	927,667	377,339	549,257	926,596	279,087
Belfast Bank .....	281,611	59,691	318,627	378,318	211,170
Northern Bank .....	243,440	36,571	207,308	243,879	97,660
Ulster Bank .....	311,079	60,391	322,359	382,750	126,219
National Bank of Ireland...	761,757	483,043	527,148	1,010,191	379,782
Carrick-on-Suir Nat. Bank	24,084	10,517	11,378	21,895	3,652
Clonmel National Bank ...	66,428	27,951	27,744	55,696	8,239
TOTALS (Irish Banks) ...	6,354,494	3,122,553	3,219,696	6,342,250	1,949,349

### SCOTCH BANKS.

Bank of Scotland .....	300,485	128,168	255,144	383,312	172,264
Boyal Bank of Scotland ...	183,000	68,352	115,465	183,818	67,612
British Linen Company .....	438,024	177,685	284,365	462,050	206,403
Commercial Bk. of Scotland	374,880	158,858	305,599	464,558	150,659
National Bank of Scotland..	297,024	105,241	212,017	317,258	82,712
Union Bank of Scotland and Banking Com. in Aberdeen	415,690	181,039	321,437	502,476	173,518
Edinburgh & Glasgow Bk...	136,657	67,842	88,019	155,861	52,458
Aberdeen Town and Co. Bk.	70,133	38,491	66,625	105,116	48,098
North of Scotland Bk. Co...	154,319	103,248	94,944	198,193	62,225
Dundee Banking Company	33,451	14,340	24,164	38,504	13,921
Eastern Bank of Scotland...	33,636	15,564	21,699	37,263	18,209
Western Bank of Scotland..	337,938	149,053	373,769	522,822	291,862
Clydesdale Banking Co. ...	104,028	54,091	101,557	155,648	93,731
City of Glasgow Bank .....	72,921	88,353	112,141	200,495	141,045
Caledonian Banking Co. ...	53,434	23,142	44,063	67,206	19,226
Perth Banking Company ...	38,656	16,986	29,641	46,627	18,391
Central Bank of Scotland...	42,933	22,742	37,351	60,094	23,062
TOTALS (Scotch Banks)...	3,087,209	1,413,195	2,488,000	3,901,301	1,635,396



## CIRCULATION RETURNS.

### SUMMARY OF IRISH & SCOTCH RETURNS TO MAY 12, 1855

The Returns of Circulation of the Irish and Scotch Banks for the four weeks ending 12th May, when added together, give the following as the average weekly circulation of these banks during the past month, viz. :—

Average Circulation of the Irish Banks	£6,342,380
Average Circulation of the Scotch Banks	2,901,361
<b>Total Average Circulation of these Banks for the past month</b>	<b>£9,243,741</b>

On comparing these amounts with the Returns for the month ending 14th April last, they show—

Decrease in the Circulation of Irish Banks	£130,308
Increase in the Circulation of Scotch Banks	188,361
<b>Total increase on the month</b>	<b>£58,053</b>

And, as compared with the month ending May 18th, 1854, they show—

Decrease in the Circulation of Irish Banks	£243,370
Decrease in the Circulation of Scotch Banks	64,368
<b>Total decrease on the year</b>	<b>£307,738</b>

The fixed issues of the Irish and Banks at the present time are given *Banking Almanac*, as follows :—

8 Banks in Ireland, allowed to issue	£4,000,000
18 Banks in Scotland, allowed to issue	£4,000,000
<b>26 Banks in all, allowed to issue</b>	<b>£8,000,000</b>

The following appears, therefore, a comparative state of the circulation :—

Irish Banks are below their fixed issue	£1,657,620
Scotch Banks are above their fixed issue	£1,091,361
<b>Total above the fixed issue</b>	<b>£566,259</b>

The amounts of Gold and Silver held at the head offices of the several banks, during the past month, have been as follows :—

Gold and Silver held by the Irish Banks	£1,000,000
Gold and Silver held by the Scotch Banks	£1,000,000

Total of Gold and Silver Coin £2,000,000

Being a decrease of £51,393 on the the Irish Banks, and an increase of £1,000,000 on the part of the Scotch Banks, several amounts held by them during the preceding month.

### CIRCULATION OF THE UNITED KINGDOM TO MAY 12, 1855

The following is the state of the Note Circulation of the United Kingdom, month ending the 12th May, 1855.

Circulation of Notes for the Month ending 12th May, as compared with the previous month :—

	April 14.	May 12.	Increase.	Decrease.
Bank of England	£19,686,507	£20,182,477	£495,970	
Private Banks	2,912,678	2,937,601	24,923	
Joint-Stock Banks	2,151,433	2,151,372	61	
<b>Total in England</b>	<b>24,749,607</b>	<b>25,273,656</b>	<b>524,049</b>	
Scotland	2,742,940	2,901,361	158,421	
Ireland	6,462,446	6,548,250	85,804	
<b>United Kingdom</b>	<b>£33,954,993</b>	<b>£34,723,267</b>	<b>£768,274</b>	

The comparison of the month ending May 13th, 1854, with the month ending May 12th, 1855, shows a decrease in the Bank of England circulation of £1,722,425; a decrease in Private Banks of £12,425, and an increase in Joint-Stock Banks of £16,690; being a total decrease in England of £1,722,109; while in Scotland there is a decrease of £66,305; and in Ireland a decrease of £243,370. Thus showing the month ending 12th May, as compared with the same period last year, presents a decrease of £1,722,109 in England, and a decrease of £2,031,684 in the United Kingdom.

The return of Bullion in the Bank of England, for the month ending May gives an aggregate amount in both departments of £15,554,832. On a comparison with the Return for the month ending April 14th, there appears to be an increase of £497,671; and an increase of £2,697,966 as compared with the same period last year.

The stock of specie held by the Banks in Scotland and Ireland during the month ending 12th May, was £3,584,745; being a decrease of £23,180 as compared with the return of the previous month, and an increase of £93,033 as compared with the corresponding period last year.

*Bankers' Magazine Appendix.—July, 1855.*

**JOINT-STOCK BANKS.**

	£40 ab.	£40 0 pd.	£44
Australia	100	30 0	98
British North American	100	30 0	98
Bank of London	100	30 0	98
Central of London	100	35 0	172
Colonial	100	35 0	95
City Bank	100	30 0	98
London and Westminster	100	30 0	98
London Joint Stock	50	10 0	99
Oriental Bank	35	35 0	93
Provincial of Ireland	105	35 0	93
National of Ireland	60	32 10	96
National Provincial (England)	150	35 0	97
South Australian	95	35 0	93
Union of Australia	25	35 0	42
Union of London	20	10 0	74
London and County	50	30 0	29
London Chartered	20	30 0	35
English, Scottish, and Australia	20	30 0	30
Bank of India, China, and	30	18 0	18
Australia	30	3 0	1
New South Wales	30	3 0	3

**(28th June)**

Brazilian Bonds, 5 per Cent.	98
Chilian Bonds, 6 per Cent.	101
Danish 5 per Cent.	102
Mexican 5 per Cent.	21½
Peruvian 4½ per Cent.	65
Portuguese Bonds, 4 per Cent.	44
Russian Bonds, 1822, 5 per Cent. in £ Ster.	98
Do. 4 per Cent.	98
Spanish Bonds 5 per Cent.	38
Ditto, 3 per Cent. Deferred.	18½
Turkish 5 per Cent.	81½
(Dividends on the above payable in London.)	
Austrian 5 per Cent.	—
Belgian Bonds, 4½ per Cent.	64
Ditto 4 per Cent.	94½
Ditto 3 per Cent. Loan	94
French 4½ per Cent., at Paris, June 30, 1871.	75c.
Ditto 3 per Cent., ditto	66c.

COMPANY.	Paid up	Prices May 28.	Prices June 12.
Caledonian.	..	64	63
Eastern Counties ..	..	120	117
Great Northern ..	..	100	92
Great Western ..	..	100	62
London and Brighton ..	134	77	77
London and North West ..	100	101	102
North-West ..	100	101	102
South-West ..	100	84	83
..	..	100	73
..	..	100	74
Midland ..	..	30	30
North British ..	..	61	62
South-Eastern ..	100	75	74
York, Newcastle, & Berwick ..	100	50	51
Work & North Midland ..	100	..	..

**The closing prices of the day are quoted.**

# Bank of England Weekly Returns.

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the Weeks ending as follows.

## ISSUE DEPARTMENT.

	1855. May 19th.	1855. May 26th.	1855. June 2nd.	1855. June 9th.
Notes issued.....	£ 29,902,550	£ 30,337,685	£ 31,063,175	£ 31,056,945
Government debt.....	11,015,100	11,015,100	11,015,100	11,015,100
Other securities.....	2,984,900	2,984,900	2,984,900	2,984,900
Gold coin and bullion.....	13,902,530	16,337,685	17,063,175	17,056,945
Silver bullion.....	—	—	—	—
	29,902,530	33,337,685	31,063,175	33,056,945

## BANKING DEPARTMENT.

	1855. May 19th.	1855. May 26th.	1855. June 2nd.	1855. June 9th.
Proprietors' capital.....	14,553,000	14,553,000	14,553,000	14,553,000
Reserve.....	3,170,300	3,172,157	3,112,943	3,114,923
Public deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts).....	3,359,373	5,196,161	5,311,168	5,447,307
Other deposits.....	12,230,771	11,932,316	13,383,875	13,166,925
Seven day and other bills.....	991,790	1,020,359	983,684	1,006,093
	34,304,063	35,873,993	37,145,671	37,329,997
Government securities (including Dead Weight Annuity).....	10,623,133	12,110,731	12,677,816	12,702,400
Other securities.....	12,455,165	12,315,806	12,419,158	12,305,431
Notes.....	10,280,610	10,790,370	11,343,970	11,663,775
Gold and silver coin.....	745,166	727,096	705,927	707,113
	34,304,063	35,873,993	37,145,671	37,329,997

## The Exchanges.

	May 18th.	May 25th.	June 1st.	June 8th.
Amsterdam, short ..	11 18	11 19	12	11 18
Ditto 3 months..	12½	12½	13	11 19½
Rotterdam, ditto ..	12½	12½	13½	11 19½
Antwerp, ditto ..	25 42½	25 42½	25 45	25 37½
Brussels, ditto.....	25 42½	25 42½	25 45	25 37½
Hamburg, ditto.....	13 8	13 8½	13 8	13 7½
Paris, short ..	25 30	25 30	25 30	25 18
Paris, 3 months ..	25 45	25 45	25 42½	25 35
Marseilles, ditto ..	25 45	25 45	25 45	25 37½
Frankfort, ditto ..	119	119	118½	118½
Vienna, ditto.....	12 50	12 35	12 34	12 38
Trieste, ditto.....	12 52½	12 36	12 36	12 40
Petersburgh, ditto ..	35½	35½	—	35½
Madrid, ditto ..	49½	49½	49½	49½
Cadiz, ditto ..	50	49½	49½	50
Leghorn, ditto ..	30 20	30 17½	30 10	30 5
Genoa, ditto ..	25 55	25 55	25 52½	25 50
Naples, ditto.....	43½	44	44½	44
Palermo, ditto ..	131	131½	131½	131½
Messina, ditto ..	131	132	131½	131½
Lisbon, 60 days' date	53½	53½	53½	53½
Oporto, ditto ..	53½	53½	53½	53½
Rio Janeiro, ditto ..	—	—	—	—

## PRICES OF BULLION.

	Per Ounce.	Per Ounce.	Per Ounce.	Per Ounce.
Foreign Gold in Bars .. (Standard).....	£3 17 9	£3 17 9	£3 17 9	£3 17 9
Mexican Dollars ..	0 4 11½	0 0 0	0 0 0	0 0 0
Silver in Bars (Stand.)..	0 6 1½	0 8 1½	0 8 1½	0 8 1½

# Bankers' Weekly Circulation Returns.

Pursuant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTES.

## PRIVATE BANKS.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		May 19.	May 26.	June 2.	June 9.
	£	£	£	£	£
1 Andover Bank .....	17,751	11,342	12,055	11,935	11,721
2 Ashford Bank .....	11,849	11,520	11,155	10,216	11,306
3 Aylsham Bank .....	5,854	5,250	5,430	5,361	5,345
4 Aylesbury Old Bank .....	48,461	29,630	28,999	28,286	28,180
5 Baldock and Biggleswade Bank ...	37,223	32,306	32,375	32,192	31,672
6 Barnstable Bank .....	17,182	9,633	9,760	8,845	8,589
7 Basingstoke and Odiham Bank ...	24,730	22,440	22,460	23,136	23,321
8 Bedford Bank .....	34,218	35,089	35,348	33,654	32,492
9 Bewdley Bank .....	18,597	11,367	10,657	10,597	10,126
10 Bicester and Oxfordshire Bank ...	27,090	15,295	14,506	14,776	14,997
11 Birmingham Bank—Attwoods & Co.	23,695	23,232	22,861	22,939	23,365
12 Birmingham and Warwickshire Bk.	18,132	95,90	9,855	9,315	9,755
13 Blandford Bank .....	9,723	6,852	7,105	7,353	6,989
14 Boston Bank—Garfit and Co. ....	75,069	85,856	76,988	68,131	63,448
15 Boston Bank—Gee and Co. ....	15,161	14,237	15,001	14,885	14,243
16 Bridgewater Bank .....	10,028	8,009	7,676	7,019	6,978
17 Bristol Bank .....	48,277	38,530	38,026	37,539	35,753
18 Broseley and Bridgenorth Bank ...	26,717	18,045	17,671	17,793	18,010
19 Buckingham Bank .....	29,557	22,895	22,347	22,286	21,441
20 Bury and Suffolk Bank .....	82,362	66,901	66,903	64,615	63,440
21 Banbury Bank .....	43,457	34,367	34,689	33,767	33,351
22 Banbury Old Bank .....	55,153	24,204	23,981	23,892	25,010
23 Bath City Bank .....	4,572	2,300	2,160	2,002	2,045
24 Bedfordshire Leighton Buzzard Bk.	36,829	34,767	34,927	35,922	34,050
25 Birmingham Bk.—Taylor & Lloyds	38,816	32,282	31,648	30,727	31,616
26 Bradford Old Bank .....	12,676	11,747	12,497	12,045	12,140
27 Brecon Old Bank .....	68,271	62,078	63,425	66,833	65,520
28 Brighton Union Bank .....	33,794	20,641	20,885	21,002	20,964
29 Burlington and Driffield Bank .....	12,745	12,028	12,152	12,445	11,831
30 Bury St. Edmund's Bank .....	3,201	2,740	3,116	2,989	3,016
31 Cambridge Bk.—Mortlock & Co.	25,744	15,992	15,444	14,905	15,002
32 Cambridge and Cambridgeshire Bk.	49,916	49,813	48,462	48,194	49,673
33 Canterbury Bank .....	33,671	30,895	31,120	31,107	31,177
34 Carmarthen Bank .....	23,597	21,479	21,140	20,614	22,134
35 Chertsey Bank .....	3,436	3,545	3,519	3,110	2,619
36 Colchester Bank .....	25,082	15,425	15,193	15,425	15,365
37 Colchester and Essex Bank .....	48,704	32,925	32,100	32,557	32,950
38 Cornish Bank—Tweedy & Co. ....	49,869	47,065	45,290	45,905	46,833
39 Coventry Bank .....	12,045	6,400	6,352	6,364	6,569
40 City Bank, Exeter .....	21,527	20,153	20,137	19,875	20,432
41 Craven Bank—Alcocks & Co. ....	77,154	76,262	75,895	74,209	72,436
42 Cardiff Bank .....	7,001	6,406	6,063	5,861	6,590
43 Chepstow Old Bank .....	9,387	9,069	8,878	9,578	9,362
44 Derby Bank—Messrs. Evans .....	13,332	11,413	10,908	10,903	11,049
45 Derby Bank—Smith and Co. ....	41,304	38,131	37,320	39,115	38,145
46 Derby Old Bank .....	27,237	27,133	26,860	27,424	25,652
47 Devizes and Wiltshire Bank .....	20,674	9,058	9,652	9,797	9,780
48 Diss Bank .....	10,657	10,095	10,125	10,385	10,306
49 Doncaster Bank and Retford Bank	77,400	75,849	75,204	75,266	73,906
50 Darlington Bank .....	86,218	88,232	86,974	83,302	82,159
51 Devonport Bank .....	10,664	9,275	10,235	9,905	9,676
52 Dorchester Old Bank .....	48,807	47,815	47,401	46,635	46,632
53 East Cornwall Bk.—Robins & Co.	112,280	92,283	93,145	92,225	92,058
54 East Riding Bank—Bower & Co.	53,392	53,648	53,432	51,257	51,339
55 Essex Bk. & Bishops Stortford Bk.	69,637	46,129	46,454	46,393	45,599
56 Exeter Bank .....	37,894	27,440	27,459	27,214	27,665
57 Fakenham Bank .....	24,293	19,188	19,385	19,586	19,550

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT.			
		May 19.	May 26.	June 2.	June 9.
	£	£	£	£	£
58 Faringdon Bk. & Bk. of Wantage	8,977	8,117	7,859	7,960	8,775
59 Farnham Bank	14,202	13,077	13,541	12,392	12,349
60 Faversham Bank	6,681	5,925	5,785	6,238	6,592
61 Godalming Bank	6,322	5,191	5,116	5,076	5,113
62 Guildford Bank	14,524	14,472	14,461	14,175	14,332
63 Grantham Bank—Hardy and Co.	30,372	32,827	28,793	25,846	25,318
64 Hastings Old Bank	38,038	27,883	26,595	25,595	24,995
65 Hereford City and County Bank	22,364	18,547	18,899	18,312	17,835
66 Hertford and Ware Bank	23,635	19,792	20,052	20,994	20,234
67 Hull & Kingston-upon-Hull Bank	19,979	18,770	18,945	18,718	19,472
68 Huntingdon Town & County Bank	56,591	52,854	54,435	53,905	53,433
69 Harwich Bank	5,778	5,175	5,226	5,174	4,810
70 Hemel Hempstead Bank	23,842	24,210	24,500	23,655	22,703
71 Hertfordshire, Hitchin Bank	38,764	38,279	38,185	38,189	38,559
72 Hereford, Ross, & Archenfield Bk.	27,625	21,545	21,860	20,520	20,149
73 Ipswich Bank	21,901	20,080	19,660	18,621	18,775
74 Ipswich & Needham Market Bank	80,699	63,950	65,679	64,560	64,930
75 Kentish Bank—Mercer & Co.	19,895	13,424	12,920	12,843	11,999
76 Kingston and Radnorshire Bank	26,050	22,129	22,105	23,208	22,744
77 Knighton Bank	9,090	9,475	9,110	8,770	8,985
78 Knaresborough Old Bank	21,825	21,970	21,374	21,011	20,730
79 Kendal Bank	44,663	41,652	42,610	42,571	43,250
80 Kettering Bank	9,192	9,376	9,378	9,210	8,596
81 Lane End Staffordshire Bank	5,624	4,764	5,385	5,040	5,138
82 Leeds Bank	53,357	53,955	53,050	51,620	51,508
83 Leeds Union Bank	37,459	37,402	36,822	36,292	36,390
84 Leicester Bank	34,322	31,674	29,492	30,206	30,302
85 Lewes Old Bank	44,836	28,383	26,680	26,366	25,962
86 Lichfield Bank	22,786	9,320	9,945	8,839	8,480
87 Lincoln Bank	100,342	97,112	94,925	94,407	90,380
88 Llandoverly Bank & Llandilo Bank	32,945	17,787	17,105	15,778	15,862
89 Loughborough Bank	7,359	7,429	7,540	7,098	7,098
90 Lymington Bank	5,038	3,965	3,577	3,513	3,522
91 Lynn Regis and Lincolnshire Bank	42,817	36,060	35,230	35,380	34,760
92 Lynn Regis and Norfolk Bank	13,917	12,150	12,912	11,660	12,000
93 Macclesfield Bank	15,760	13,230	13,009	12,670	12,169
94 Marnington Bank	7,692	2,566	2,745	2,573	2,452
95 Merionethshire Bank	10,906	8,915	8,545	8,819	9,482
96 Miners' Bank	18,688	17,954	18,225	18,557	19,029
97 Monmouthshire Agricultural and Commercial Bank	29,335	27,093	26,242	27,285	28,529
98 Monmouth Old Bank	16,385	14,930	14,945	15,245	15,237
99 Newark Bank	28,788	27,451	26,754	26,580	25,479
100 Newark and Sleaford Bank	51,615	53,697	48,519	48,621	51,497
101 Newbury Bank	36,787	21,440	22,026	21,613	20,533
102 Newmarket Bank	23,098	20,474	20,064	20,082	19,429
103 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	47,613	48,397	47,569	47,075
104 Norwich and Norfolk Bank	75,372	72,219	73,411	73,595	75,351
105 Nottingham, Nottinghamshire	10,866	10,628	10,272	10,430	10,423
106 Nuneaton Bank	5,898	3,901	3,949	3,800	3,840
107 Naval Bank, Plymouth	27,321	26,555	24,769	25,093	24,485
108 New Sarum Bk.—Everett & Smith	15,659	12,376	11,871	11,769	11,376
109 Nottingham Bank	31,047	33,298	31,884	28,795	29,062
110 Osvestry Bank	18,471	11,739	11,635	12,090	11,618
111 Oxford Old Bank	34,391	33,982	34,955	33,776	32,760
112 Old Bank, Tonbridge	13,183	8,615	7,986	7,852	8,166
113 Oxfordshire Witney Bank	11,852	10,800	10,668	10,524	10,209
114 Pease's Old Bank, Hull	48,807	46,320	46,379	44,845	44,444
115 Penzance Bank	11,405	10,300	10,277	11,025	10,865
116 Peterborough Bank—Yorke & Co.	12,545	10,050	9,549	9,093	9,627

# WEEKLY RETURNS OF BANKS OF ISSUE:

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		May 19.	May 26.	June 2.	June 9.
	£	£	£	£	£
117 Pembrokehire Bank .....	12,910	10,664	9,964	10,526	10,375
118 Reading Bank—Simmonds & Co. ....	37,519	30,476	31,281	31,026	31,149
119 Reading Bk.—Stephens & Blandy .....	43,271	29,382	29,236	28,588	28,591
120 Richmond Bank, Richmond .....	6,889	6,876	6,679	6,315	6,545
121 Rochdale Bank .....	5,590	5,105	5,235	4,956	4,891
122 Rochester, Chatham, & Strood Bk. ....	10,480	7,676	7,611	7,245	6,964
123 Royston Bank .....	16,393	13,930	14,316	13,887	13,770
124 Rugby Bank.....	17,250	10,009	9,886	9,858	9,604
125 Rye Bank.....	29,864	13,406	13,085	12,620	12,411
126 Ross Old Bank, Herefordshire ...	4,420	4,602	4,007	3,862	3,991
127 Saffron Walden & North Essex Bk. ....	47,646	28,297	28,514	28,437	27,876
128 Salop Bank .....	22,338	15,321	15,797	14,980	14,357
129 Scarborough Old Bank .....	24,813	24,048	23,652	23,530	23,829
130 Shrewsbury Old Bank.....	43,191	40,390	39,023	38,361	36,247
131 Sittingbourne and Milton Bank....	4,789	2,910	2,993	2,901	2,585
132 Southampton Town & County Bk. ....	18,589	13,501	13,876	14,466	14,134
133 Southwell Bank .....	14,744	13,054	12,964	12,319	11,680
134 Southampton and Hampshire Bk. ....	6,770	3,381	3,271	3,305	3,357
135 Stone Bank .....	9,154	345	345	345	345
136 Stafford Old Bank .....	14,166	12,854	12,047	12,283	12,418
137 Stamford and Rutland Bank .....	31,858	26,733	27,426	27,764	28,511
138 Shrewsbury and Welsh Pool Bank .....	25,336	23,359	23,625	23,884	25,079
139 Taunton Bank .....	29,799	25,438	24,163	25,978	25,515
140 Tavistock Bank .....	13,421	9,300	8,394	8,436	9,297
141 Thornbury Bank.....	10,026	4,653	4,814	4,909	5,168
142 Tiverton and Devonshire Bank ...	13,470	9,411	9,121	9,095	8,875
143 Thrapstone and Kettering Bank..	11,559	11,953	11,495	11,247	11,124
144 Tring Bank and Chesham Bank..	13,531	12,700	12,122	12,627	12,149
145 Towcester Old Bank .....	10,801	8,595	8,096	7,775	8,135
146 Town and County of Poole Bk. and Ringwood and Poole Bk. ....	11,856	10,137	10,042	10,067	10,149
147 Union Bank, Cornwall .....	17,003	11,645	11,110	11,812	12,105
148 Uxbridge Old Bank .....	25,136	15,485	15,780	15,665	15,570
149 Wallingford Bank .....	17,064	7,316	7,392	7,743	7,607
150 Warwick and Warwickshire Bank .....	30,504	25,674	25,247	25,163	24,772
151 Wellington Bank, Somerset .....	6,528	2,475	2,399	2,282	2,543
152 West Riding Bank .....	46,158	46,156	45,621	44,593	45,226
153 Whitby Old Bank .....	14,258	13,951	14,137	13,894	14,023
154 Winchester, Alresford & Alton Bk. ....	25,892	18,876	18,872	18,837	18,110
155 Weymouth Old Bank.....	16,461	14,710	15,010	14,942	15,001
156 Wirksworth and Derbyshire Bk. ....	37,602	37,530	37,363	36,815	36,081
157 Wisbeach and Lincolnshire Bank .....	59,713	58,147	59,169	59,444	59,113
158 Wiveliscombe Bank.....	7,602	8,330	7,384	6,671	6,410
159 Wolverhampton Bk.—Goodricke .....	14,180	10,948	10,745	11,040	10,160
160 Worcester Bank .....	15,463	7,130	6,607	5,895	5,786
161 Worcester Old Bank .....	87,448	71,776	68,476	67,322	67,741
162 Worcestershire Bank .....	14,309	7,620	7,524	7,400	7,524
163 Wolverham. Bk.—R. & W. Fryer .....	11,867	11,375	11,182	10,721	10,690
164 Yarmouth and Suffolk Bank .....	53,060	40,390	41,005	40,153	40,962
165 Yarmouth, Norfolk, & Suffolk Bk. ....	13,229	11,903	12,768	12,635	12,532
166 York Bank .....	46,387	43,033	41,653	41,432	41,604

## JOINT STOCK BANKS.

1 Bank of Westmoreland.....	12,225	10,959	10,981	10,982	10,778
2 Barnsley Banking Company .....	9,463	9,708	9,369	9,581	9,077
3 Bradford Banking Company .....	49,292	48,151	49,315	48,779	49,252
4 Bilston District Banking Company .....	9,418	8,862	8,785	8,380	8,892
5 Bank of Whitehaven.....	32,681	31,952	32,211	31,240	30,862
6 Bradford Commercial Banking Co. ....	20,084	19,787	20,126	19,742	19,645
7 Barton, Uttoxeter, and Staffordshire Union Bank .....	60,701	58,953	59,717	57,818	55,680

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		May 19.	May 28.	June 2.	June 1
	£	£	£	£	£
8 Chesterfield & N. Derbysh. Bk. Co.	10,421	10,249	10,175	10,091	10,441
9 Cumberland Union Banking Co. ....	35,395	34,329	35,242	35,311	34,441
10 Cheltenham & Glo'stershire Bk. Co.	12,786	10,477	10,240	10,172	10,111
11 Coventry and Warwickshire Bk. Co.	28,734	24,500	23,870	23,449	23,511
12 Coventry Union Banking Company	16,251	14,613	14,129	14,949	14,111
13 County of Gloucester Banking Co.	144,352	111,449	111,002	109,726	109,311
14 Carlisle & Cumberland Banking Co.	25,610	25,834	26,405	24,325	24,211
15 Carlisle City and District Bank ...	19,972	20,081	20,292	19,727	18,711
16 Dudley & West Bromwich Bk. Co.	37,696	32,555	18,636	13,009	9,911
17 Derby and Derbyshire Banking Co.	20,093	19,325	19,976	19,157	17,911
18 Darlington Dist. Joint Stock Bk. Co.	26,134	24,336	25,255	25,481	26,311
19 East of England Bank .....	25,025	23,515	24,494	24,585	24,711
20 Gloucestershire Banking Company	155,920	154,416	148,695	147,392	144,311
21 Halifax Joint Stock Bank .....	18,534	18,255	18,025	18,454	18,811
22 Huddersfield Banking Company ...	37,354	36,806	35,438	34,060	34,611
23 Hull Banking Company .....	29,333	27,038	27,014	26,487	26,511
24 Halifax Commercial Banking Co. ....	13,733	13,446	13,532	13,464	13,811
25 Halifax & Huddersfield Union Bk.	44,137	44,172	43,755	42,603	41,411
26 Helston Banking Company .....	1,503	1,369	1,464	1,524	1,311
27 Herefordshire Banking Company ..	25,047	22,775	22,765	22,504	21,511
28 Knaresborough and Claro Bk. Co.	28,059	27,732	27,885	27,506	27,811
29 Kingsbridge Joint Stock Bank ....	3,952	3,987	3,687	3,800	3,411
30 Lancaster Banking Company .....	64,311	63,933	61,579	61,582	58,411
31 Leeds Banking Company .....	23,076	23,090	22,879	23,399	22,811
32 Leicestershire Banking Company ...	86,060	81,058	80,603	78,057	77,111
33 Lincoln and Lindsey Banking Co.	51,620	54,140	51,398	48,819	46,511
34 Leamington Priors and Warwick-shire Bank .....	13,875	12,725	12,682	12,413	12,731
35 Ludlow and Tenbury Bank .....	10,215	10,250	9,692	9,672	9,811
36 Moore & Robinson's Notts. Bank ...	35,813	34,453	35,832	36,954	32,881
37 Nottingham and Notts. Banking Co.	29,477	28,917	27,806	28,319	26,511
38 National Provincial Bk. of England	442,371	421,302	417,994	417,065	416,071
39 North Wilts Banking Company .....	63,939	47,385	44,202	41,866	42,131
40 Northamptonshire Union Bank ...	84,356	78,111	77,826	77,126	78,181
41 Northamptonshire Banking Co. ....	26,401	23,156	22,413	22,443	22,731
42 North and South Wales Bank .....	63,951	47,958	47,640	46,266	45,161
43 Pare's Leicestershire Banking Co. ....	59,300	57,450	55,664	54,130	51,601
44 Saddleworth Banking Company ...	8,122	2,136	2,091	2,025	1,841
45 Sheffield Banking Company .....	35,843	35,422	33,691	34,451	34,471
46 Stamford, Spalding & Boston Bk. Co.	55,721	52,985	54,225	53,224	51,811
47 Stuckey's Banking Company .....	356,976	342,984	341,153	336,560	338,971
48 Shropshire Banking Company .....	47,951	34,459	35,060	35,491	35,691
49 Stourbridge and Kidderminster Bk.	56,830	57,774	56,885	55,910	55,991
50 Sheffield and Hallamshire Bank ...	23,524	23,875	24,380	24,072	21,661
51 Sheffield & Rotherham Jt. Stock Bk.	52,496	51,448	53,523	53,605	50,391
52 Swaledale and Wensleydale Bank ..	54,372	52,791	51,911	51,141	51,121
53 Storey and Thomas's Bank .....	9,714	9,006	9,135	9,169	9,501
54 Wolverhampton & Staffordsh. Bk. ....	35,378	33,598	32,053	31,669	28,861
55 Wakefield and Barnsley Union Bk.	14,604	13,805	13,397	13,527	13,821
56 Whitehaven Joint Stock Bank ...	31,916	29,592	29,983	29,782	28,421
57 Warwick and Leamington Bk. Co.	37,124	30,792	30,090	29,684	31,871
58 West of England and South Wales District Bank .....	83,535	80,602	79,740	77,777	79,721
59 Wilts & Dorset Banking Company	76,162	76,326	73,196	71,644	71,161
60 West Riding Union Banking Co. ....	34,029	34,308	33,310	31,458	31,981
61 Whitechurch and Ellesmere Bk. Co.	7,475	6,525	6,450	6,712	6,481
62 Worcester City and County Bk. Co.	6,848	6,668	6,231	5,885	6,016
63 York Union Banking Company ...	71,240	70,049	68,278	67,440	68,564
64 York City and County Banking Co.	94,695	93,377	92,470	91,047	91,712
65 Yorkshire Banking Company .....	122,532	127,748	124,975	118,945	113,732

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		May 19.	May 26.	June 2.	June 9.
	£	£	£	£	£
117 Pembrokeshire Bank .....	12,910	10,664	9,964	10,526	10,375
118 Reading Bank—Simmonds & Co. ....	37,519	30,476	31,281	31,026	31,149
119 Reading Bk.—Stephens & Blandy .....	43,271	29,382	29,236	28,588	28,591
120 Richmond Bank, Richmond .....	6,889	6,876	6,679	6,315	6,545
121 Rochdale Bank .....	5,590	5,105	5,233	4,956	4,891
122 Rochester, Chatham, & Strood Bk. ....	10,480	7,676	7,611	7,245	6,964
123 Royston Bank .....	16,393	13,930	14,316	13,887	13,770
124 Rugby Bank.....	17,250	10,009	9,886	9,858	9,604
125 Rye Bank .....	29,864	13,406	13,085	12,620	12,411
126 Ross Old Bank, Herefordshire .....	4,420	4,602	4,007	3,862	3,991
127 Saffron Walden & North Essex Bk. ....	47,646	28,297	28,514	28,437	27,876
128 Salop Bank .....	22,338	15,321	15,797	14,980	14,357
129 Scarborough Old Bank .....	24,813	24,048	23,652	23,530	23,829
130 Shrewsbury Old Bank.....	43,191	40,390	39,023	38,361	36,247
131 Sittingbourne and Milton Bank....	4,789	2,910	2,993	2,901	2,585
132 Southampton Town & County Bk. ....	18,589	13,501	13,876	14,466	14,134
133 Southwell Bank .....	14,744	13,054	12,964	12,319	11,680
134 Southampton and Hampshire Bk. ....	6,770	3,381	3,271	3,305	3,357
135 Stone Bank .....	9,124	345	345	345	345
136 Stafford Old Bank .....	14,166	12,854	12,047	12,283	12,418
137 Stamford and Rutland Bank .....	31,858	26,733	27,426	27,764	28,511
138 Shrewsbury and Welsh Pool Bank .....	25,336	23,359	23,625	23,884	25,079
139 Taunton Bank .....	29,799	25,438	24,163	25,978	25,515
140 Tavistock Bank .....	13,421	9,300	8,394	8,436	9,297
141 Thornbury Bank.....	10,026	4,653	4,814	4,909	5,168
142 Tiverton and Devonshire Bank...	13,470	9,411	9,121	9,095	8,875
143 Thrapstone and Kettering Bank..	11,559	11,953	11,495	11,247	11,124
144 Tring Bank and Chesham Bank..	13,531	12,700	12,122	12,627	12,149
145 Towcester Old Bank .....	10,801	8,595	8,096	7,775	8,135
146 Town and County of Poole Bk. and Ringwood and Poole Bk. ....	11,856	10,137	10,042	10,067	10,149
147 Union Bank, Cornwall .....	17,003	11,645	11,110	11,812	12,105
148 Uxbridge Old Bank .....	25,136	15,485	15,780	15,665	15,570
149 Wallingford Bank .....	17,064	7,316	7,392	7,743	7,607
150 Warwick and Warwickshire Bank .....	30,504	25,674	25,247	25,163	24,772
151 Wellington Bank, Somerset .....	6,528	2,475	2,399	2,282	2,543
152 West Riding Bank .....	46,158	46,156	45,621	44,593	45,826
153 Whitby Old Bank .....	14,258	13,951	14,137	13,894	14,023
154 Winchester, Alresford & Alton Bk. ....	25,892	18,876	18,872	18,837	18,110
155 Weymouth Old Bank.....	16,461	14,710	15,010	14,942	15,001
156 Wirksworth and Derbyshire Bk. ....	37,602	37,530	37,363	36,815	36,081
157 Wisbeach and Lincolnshire Bank .....	59,713	58,147	59,169	59,444	59,113
158 Wiveliscombe Bank.....	7,602	8,330	7,384	6,671	6,410
159 Wolverhampton Bk.—Goodricke .....	14,180	10,948	10,745	11,040	10,160
160 Worcester Bank .....	15,463	7,130	6,607	5,895	5,786
161 Worcester Old Bank .....	87,448	71,776	68,476	67,322	67,741
162 Worcestershire Bank .....	14,309	7,620	7,524	7,400	7,524
163 Wolverham. Bk.—R. & W. Fryer .....	11,867	11,375	11,182	10,721	10,690
164 Yarmouth and Suffolk Bank .....	53,060	40,390	41,005	40,153	40,962
165 Yarmouth, Norfolk, & Suffolk Bk. ....	13,219	11,903	12,768	12,635	12,532
166 York Bank .....	46,387	43,033	41,653	41,432	41,604

## JOINT STOCK BANKS.

1 Bank of Westmoreland. ....	12,225	10,959	10,981	10,982	10,778
2 Barnsley Banking Company .....	9,463	9,708	9,369	9,581	9,077
3 Bradford Banking Company .....	49,292	48,151	49,315	48,779	49,252
4 Bilston District Banking Company .....	9,418	8,862	8,785	8,380	8,892
5 Bank of Whitehaven.....	32,681	31,952	32,211	31,240	30,862
6 Bradford Commercial Banking Co. ....	20,084	19,787	20,126	19,742	19,645
7 Barton, Uttoxeter, and Staffordshire Union Bank .....	60,701	58,953	59,717	57,818	55,680



## CIRCULATION RETURNS.

### SUMMARY OF IRISH & SCOTCH RETURNS TO JUNE 9, 1855

The Returns of Circulation of the Irish and Scotch Banks for the four weeks ending 9th June, when added together, give the following as the average weekly circulation of these banks during the past month, viz. —

Average Circulation of the Irish Banks ..	£6,021,985
Average Circulation of the Scotch Banks ..	4,377,695
<b>Total Average Circulation of these Banks for the past month .....</b>	<b>£10,399,680</b>

On comparing these amounts with the Returns for the month ending 12th May last, they show—

Decrease in the Circulation of Irish Banks ..	£320,265
Increase in the Circulation of Scotch Banks ..	476,394
<b>Total increase on the month .....</b>	<b>£156,129</b>

And, as compared with the month ending June 10th, 1854, they show—

Decrease in the Circulation of Irish Banks ..	£158,303
Increase in the Circulation of Scotch Banks ..	38,597
<b>Total decrease on the year .....</b>	<b>£99,706</b>

The fixed issues of the Irish and Scotch Banks at the present time are given in the *Banking Almanac*, as follows:—

8 Banks in Ireland, allowed to issue....	—
18 Banks in Scotland, allowed to issue ..	—
<b>26 Banks in all, allowed to issue .....</b>	<b>—</b>

The following appears, therefore, comparative state of the circulation: Irish Banks are below their fixed issue .. Scotch Banks are above their fixed issue

Total below the fixed issue [.....]

The amounts of Gold and Silver held by the head offices of the several banks, during the past month, have been as follows:—

Gold and Silver held by the Irish Banks ..  
Gold and Silver held by the Scotch Banks ..

Total of Gold and Silver Coin .....

Being a decrease of £53,667 on the part of the Irish Banks, and an increase of £112,434 on the part of the Scotch Banks several amounts held by them during the preceding month.

### CIRCULATION OF THE UNITED KINGDOM TO JUNE 9, 1855

The following is the state of the Note Circulation of the United Kingdom during the month ending the 9th June, 1855.

Circulation of Notes for the Month ending 9th June, as compared with the previous month:—

	May 12.	June 9.	Increase.	D
Bank of England .....	£20,182,577	£19,607,657	—	—
Private Banks .....	3,057,601	3,830,725	—	—
Joint-Stock Banks .....	3,151,878	3,071,320	—	—
<b>Total in England .....</b>	<b>27,392,056</b>	<b>26,509,702</b>	<b>—</b>	<b>—</b>
Scotland .....	3,901,301	4,377,695	£476,394	—
Ireland .....	6,342,250	6,021,985	—	—
<b>United Kingdom .....</b>	<b>£37,635,607</b>	<b>£36,909,382</b>	<b>£476,394</b>	<b>—</b>

The comparison of the month ending June 10th, 1854, with the month ending June 9th, 1855, shows a decrease in the Bank of England circulation of £53,667; an increase in Private Banks of £770,605, and an increase in Joint-Stock Banks of £69,407; being a total decrease in England of £771,897; while in Scotland there was an increase of £476,394; and in Ireland a decrease of £320,265. Thus showing a decrease of £771,897 in England, as compared with the same period last year, a decrease of £771,897 in England, and a decrease of £871,603 in the United Kingdom.

The return of Bullion in the Bank of England, for the month ending June 9th, gives an aggregate amount in both departments of £17,316,414. On a comparison with the Return for the month ending May 12th, there appears to be a decrease of £1,761,582; and an increase of £4,638,159 as compared with the same period last year.

The stock of specie held by the Banks in Scotland and Ireland during the month ending 9th June, was £3,674,626; being an increase of £89,881 as compared with the return of the previous month, and an increase of £112,434 as compared with the corresponding period last year.

## SUMMARY OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	May 19.	May 26.	June 2.	June 9.
166 Private Banks.....	£4,600,718	£3,894,434	£3,850,155	£3,800,342	£3,777,970
65 Joint-Stock Banks..	3,325,857	3,139,829	3,092,917	3,043,629	3,008,907
231 Totals .....	7,926,575	7,034,263	6,943,072	6,843,971	6,786,877

*Average Weekly Circulation of these Banks for the month ending June 9th:—*

Private Banks .....	£3,830,735
Joint-Stock Banks .....	3,071,320

*Average Weekly Circulation of Private and Joint-Stock Banks ending as above £6,902,045*

*On a comparison of the above with the Returns for the month ending 12th May last, it shows:—*

<i>A decrease in the notes of Private Banks, of .....</i>	<i>£106,876</i>
<i>A decrease in the notes of Joint-Stock Banks, of .....</i>	<i>80,558</i>
<i>Total decrease on the month.....</i>	<i>£187,434</i>

*And, as compared with the month ending 10th June, 1854, it shows—*

<i>An increase in the notes of Private Banks, of .....</i>	<i>£70,605</i>
<i>An increase in the notes of Joint-Stock Banks, of .....</i>	<i>48,101</i>

*Total increase, as compared with the same period of last year .....*

*The following is the comparative state of the circulation, as regards the fixed issues—*

*The Private Banks are below their fixed issues.....*

*The Joint-Stock Banks are below their fixed issues.....*

*Total below the fixed issues .....*

## Irish and Scotch Circulation Returns.

*Average Circulation, and Coin held by the IRISH and SCOTCH BANKS during the four weeks ending Saturday, the 6th day of June, 1855.*

### IRISH BANKS.

NAME OF BANK.	Authorised Circulation.	Average Circulation during Four Weeks, ending as above.			Average Amt. of Gold & Silver Coin held during Four Weeks ending as above.
		£5 and upwards.	Under £5.	Total.	
	£	£	£	£	£
Bank of Ireland .....	3,738,428	1,993,025	1,187,550	3,180,575	842,040
Provincial Bank of Ireland	927,667	358,008	499,866	857,874	278,966
Belfast Bank .....	281,611	61,637	284,377	346,014	214,178
Northern Bank .....	243,440	37,578	191,026	228,604	97,175
Ulster Bank .....	311,079	58,215	287,615	345,830	98,184
National Bank of Ireland...	761,757	477,748	509,130	986,879	351,405
Carriek-on-Suir Nat. Bank	24,084	9,581	10,533	20,114	3,578
Clonmel National Bank ...	66,428	29,956	26,138	56,095	10,156
TOTALS (Irish Banks) ...	6,354,494	3,025,748	2,996,235	6,021,985	1,895,682

### SCOTCH BANKS.

Bank of Scotland .....	300,485	143,151	273,721	421,872	177,967
Boyal Bank of Scotland ...	183,000	79,435	129,337	208,772	63,635
British Linen Company .....	438,024	205,805	323,219	529,024	206,729
Commercial Bk. of Scotland	374,880	182,176	343,384	525,560	201,105
National Bank of Scotland..	297,024	123,725	234,628	358,353	97,318
Union Bank of Scotland and Banking Com. in Aberdeen	415,690	200,190	346,515	546,705	176,363
Edinburgh & Glasgow Bk...	136,657	69,725	100,862	170,587	52,984
Aberdeen Town and Co. Bk.	70,133	48,419	76,366	124,785	57,330
North of Scotland Bk. Co...	154,319	128,578	110,733	239,311	92,273
Dundee Banking Company	33,451	17,861	27,603	45,464	13,441
Eastern Bank of Scotland...	33,636	18,914	24,216	43,130	17,009
Western Bank of Scotland..	337,938	185,552	391,487	577,039	291,661
Clydesdale Banking Co. ...	104,028	60,273	106,556	166,839	95,808
City of Glasgow Bank .....	72,921	94,901	126,431	221,334	162,138
Caledonian Banking Co. ...	53,434	27,360	50,491	77,851	28,699
Perth Banking Company ...	38,656	22,410	34,921	57,331	21,750
Central Bank of Scotland...	42,933	24,232	39,505	63,738	22,734
TOTALS (Scotch Banks)...	3,087,209	1,632,707	2,744,987	4,377,695	1,778,944

## CIRCULATION RETURNS.

### SUMMARY OF IRISH & SCOTCH RETURNS TO AUGUST 4, 1855

The Returns of Circulation of the Irish and Scotch Banks for the four weeks ending 4th August, when added together, give the following as the average weekly circulation of these banks during the past month, viz. —

Average Circulation of the Irish Banks .. £5,663,922  
Average Circulation of the Scotch Banks .. 4,048,716

Total Average Circulation of these Banks for the past month ..... £9,712,638

On comparing these amounts with the Returns for the month ending 7th July last, they show—

Decrease in the Circulation of Irish Banks .. £33,600  
Decrease in the Circulation of Scotch Banks .. 67,191

Total decrease on the month ..... £100,791

And, as compared with the month ending August 5th, 1854, they show—

Increase in the Circulation of Irish Banks .. £49,835  
Increase in the Circulation of Scotch Banks .. 86,140

Total increase on the year ..... £135,975

The fixed issues of the Irish and Banks at the present time are given *Banking Almanac*, as follows:—

8 Banks in Ireland, allowed to issue .. £5,

18 Banks in Scotland, allowed to issue .. 2

26 Banks in all, allowed to issue ..... £13

The following appears, therefore, to comparative state of the circulation:—

Irish Banks are below their fixed issue .. £1  
Scotch Banks are above their fixed issue .. 1

Total above the fixed issue ..... £2

The amounts of Gold and Silver held head offices of the several banks, during past month, have been as follows:—

Gold and Silver held by the Irish Banks .. £11

Gold and Silver held by the Scotch Banks .. 1

Total of Gold and Silver Coin ..... £12

Being a decrease of £17,065 on the part of the Irish Banks, and a decrease of £1 on the part of the Scotch Banks, or several amounts held by them during preceding month.

### CIRCULATION OF THE UNITED KINGDOM TO AUGUST 4, 1855

The following is the state of the Note Circulation of the United Kingdom, for month ending the 4th August, 1855.

Circulation of Notes for the Month ending 4th August, as compared with the previous month:—

	July 7.	Aug. 4.	Increase.	Decrease.
Bank of England .....	£19,931,654	£20,856,467	£924,813	—
Private Banks .....	3,776,792	3,734,932	—	£41,860
Joint-Stock Banks .....	3,010,448	2,962,313	—	£48,135
Total in England .....	26,718,894	27,552,732	£833,838	—
Scotland .....	4,115,907	4,048,716	—	£67,191
Ireland .....	5,752,602	5,663,922	—	£88,680
United Kingdom .....	£36,587,403	£37,265,370	£677,967	£155,951

The comparison of the month ending August 5th, 1854, with the month ending August 4th, 1855, shows an increase in the Bank of England circulation of £317, an increase in Private Banks of £163,560, and an increase in Joint-Stock Banks of £78,970; being a total increase in England of £559,828; while in Scotland there is an increase of £86,140; and in Ireland an increase of £49,835. Thus showing that month ending 4th August, as compared with the same period last year, present increase of £559,828 in England, and an increase of £695,823 in the United Kingdom.

The return of Bullion in the Bank of England, for the month ending August gives an aggregate amount in both departments of £16,647,543. On a comparison this with the Return for the month ending July 7th, there appears to be a decrease of £1,310,553; and an increase of £3,087,197 as compared with the same period last year.

The stock of specie held by the Banks in Scotland and Ireland during the month ending 4th August, was £3,583,584; being a decrease of £106,983 as compared with the return of the previous month, and an increase of £247,395 as compared with corresponding period last year.

THE ENGLISH FUNDS.—Daily Prices from 27th June to 27th July, 1855, inclusive.

	27	28	29	30	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
Bank Stock (div. 8 per Ct.)	210	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211
3 per Ct. Red. Anns.	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
5 per Ct. Consols Anns.	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91
Ditto ex. div. for opening	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91	91
New 2 1/2 per cent. Anns.	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
New 2 1/2 per cent.	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
5 per cent.	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Long Anns. Jan. 5, 1860	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Ditto 30 years, Oct. 10, 1859	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Ditto 30 years, Jan. 5, 1860	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Ditto 30 years, Apr. 5, 1860	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Ditto Bonds (div. 10 1/2 per cent.)	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Ditto Bonds £1000 (div. 4 p.c.)	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Ditto, under £500	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
South Sea Stock, (div. 3 p.c.)	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Bank Stock for ac. 8th August	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
P. Ct. Cons. for ac. 10th July	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Ditto for account 8th August	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Todd's Stock for ac. 8th August	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Omnium	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Ex. Bills £1000, 21d. per diem	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Ditto £1000	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Ditto Small do.	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Ditto Bonds Scrip A 1858 3 1/2 p.c.	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Ditto Scrip B 1859	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92	92

JOINT-STOCK BANKS.

	London	Latest Prices.
Australasia	£40 0 sh., 6 pd.	£87
British North American	50	65
Bank of London	100	30
Commercial of London	100	30
Colonial	100	25
City Bank	100	25
London and Westminster	100	25
London Joint Stock	50	10
Oriental Bank	50	25
Provincial of Ireland	100	25
National of Ireland	60	22
National Provincial of England	150	35
South Australian	50	25
Union of Australia	25	25
Union of London	20	10
London and County	50	20
English, Scottish, and Australia	20	20
Bank of India, China, and	20	20
Australia	20	20
New South Wales	20	20

FOREIGN STOCKS

	(28th July.)
Brazilian Bonds, 5 per Cent.	102
Chilian Bonds, 6 per Cent.	101
Danish 5 per Cent.	102
Mexican 3 per Cent.	21 1/2
Peruvian 4 1/2 per Cent.	80 1/2
Portuguese Bonds, 4 per Cent.	45
Russian Bonds, 1822, 4 per Cent. in £ Ster.	101
Turkish, 4 1/2 per cent.	90
Spanish Bonds 3 per Cent.	37 1/2
Ditto, 3 per Cent. Deferred	18 1/2
Turkish 6 per Cent.	90 1/2
Austrian 5 per Cent.	—
Belgian Bonds, 4 1/2 per Cent.	—
Dutch 2 1/2 per Cent.	64 1/2
Ditto 4 per Cent. Loan	94 1/2
French 4 1/2 per Cent. at Paris, July 27, 1855, 75c.	—
Ditto 3 per Cent., ditto	65 1/2, 95c.

RAILWAY SHARES.

	COMPANY.	Paid up	Prices
		£	July 28.
Caledonian	..	100	63
Eastern Counties	..	20	12 1/2
Great Northern	..	100	93
Great Western	..	100	67 1/2
London and Brighton	..	150	7 1/2
London and Blackwall	..	100	102
North-West	..	100	102
South-West	..	100	83 1/2
Midland	..	100	74
South-Eastern	..	100	70 1/2
York, Newcastle & Berwick	..	100	73 1/2
York & North Midland	..	100	51

The closing prices of the day are quoted.

# Bank of England Weekly Returns.

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the Weeks ending as follows

## ISSUE DEPARTMENT.

	1855. June 16th.	1855. June 23rd.	1855. June 30th.	1855. July 7th.	1855. July
Notes issued.....	£ 31,350,395	£ 31,429,435	£ 31,305,070	£ 30,895,065	30,4
Government debt.....	11,015,100	11,015,100	11,015,100	11,015,100	11,0
Other securities.....	2,984,900	2,984,900	2,984,900	2,984,900	2,9
Gold coin and bullion.....	17,350,395	17,429,435	17,305,070	16,895,065	16,0
Silver bullion.....	—	—	—	—	—
	31,350,395	31,429,435	31,305,070	30,895,065	30,4

## BANKING DEPARTMENT.

	1855. June 16th.	1855. June 23rd.	1855. June 30th.	1855. July 7th.	1855. July
Proprietors' capital.....	£ 14,553,000	£ 14,553,000	£ 14,553,000	£ 14,553,000	14,5
Reserve.....	3,123,065	3,126,379	3,140,067	3,177,665	3,2
Public deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts).....	5,586,754	6,486,685	6,146,099	6,852,350	6,8
Other deposits.....	13,307,714	13,324,370	13,434,740	12,586,891	12,6
Seven day and other bills.....	1,034,770	986,492	971,726	1,017,440	1,0
	37,605,393	38,376,926	38,246,541	38,187,346	38,2
Government securities (including Dead Weight Annuity).....	12,681,068	12,896,068	12,896,068	12,757,324	12,8
Other securities.....	12,399,704	12,853,957	13,497,443	13,328,806	13,4
Notes.....	11,814,200	11,887,310	11,159,525	10,412,335	10,4
Gold and silver coin.....	710,321	739,591	713,505	668,901	6,6
	37,605,393	38,376,926	38,246,541	38,187,346	38,2

## The Exchanges.

	June 15th.	June 22nd.	June 29th.	July 6th.	July
Amsterdam, short ..	11 18½	11 17½	11 18½	11 18½	11
Ditto 3 months..	11 19½	11 19½	12	11 19½	11
Rotterdam, ditto ..	11 19½	11 19½	12	11 19½	11
Antwerp, ditto ..	25 40	25 35	25 40	25 37½	25
Brussels, ditto ..	25 40	25 35	25 40	25 37½	25
Hamburg, ditto....	13 7	13 7	13 8	13 8	13
Paris, short ..	25 17½	25 15	25 12½	25 12½	25
Paris, 3 months ..	25 37½	25 35	25 37½	25 40	25
Marseilles, ditto ..	25 37½	25 37	25 40	25 40	25
Frankfort, ditto ..	118½	118½	118½	118½	118
Vienna, ditto ..	12 24	12 25	12 27	12 22	12
Trieste, ditto ..	12 25	12 27	12 29	12 22	12
Petersburgh, ditto ..	35½	35½	35½	35½	35½
Madrid, ditto ..	49½	49½	50	49½	50
Cadix, ditto ..	50½	50½	50½	50½	50½
Leghorn, ditto ..	29 90	29 85	29 90	29 90	29
Genoa, ditto ..	25 45	25 45	25 42½	25 42½	25
Naples, ditto ..	44½	44½	44½	44½	44½
Palermo, ditto ..	131½	131½	132	132½	132½
Messina, ditto ..	133	133	133½	132½	132½
Lisbon, 60 days' date	53½	53½	53½	53	53
Oporto, ditto ..	53½	53½	53½	53½	53½
Rio Janeiro, ditto ..	—	—	—	—	—

## PRICES OF BULLION.

	Per Ounce.	Per Ounce.	Per Ounce.	Per Ounce.	Per
Foreign Gold in Bars .. (Standard) .....	£ 3 17 9	£ 3 17 9	£ 3 17 9	£ 3 17 9	£ 3 17
Mexican Dollars .....	0 0 0	0 4 11½	0 0 0	0 0 0	0
Silver in Bars (Stand.)..	0 6 11	0 6 11	0 6 11	0 6 11	0

# Bankers' Weekly Circulation Returns.

Pursuant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTES.

## PRIVATE BANKS.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		June 16.	June 23.	June 30.	July 7.
	£	£	£	£	£
1 Andover Bank .....	17,751	13,062	12,182	13,121	11,730
2 Ashford Bank .....	11,849	10,122	10,838	10,118	11,030
3 Aylsham Bank .....	5,854	5,240	5,339	5,295	5,240
4 Aylesbury Old Bank .....	48,461	28,146	28,177	27,806	28,290
5 Baldock and Biggleswade Bank ...	37,223	31,120	29,883	30,050	29,587
6 Barnstable Bank .....	17,182	9,287	9,078	8,668	8,923
7 Basingstoke and Odiham Bank * ..	24,730	23,118	22,341	21,618	21,860
8 Bedford Bank .....	34,218	32,484	33,760	35,150	35,062
9 Bewdley Bank .....	18,597	9,786	9,967	10,133	10,096
10 Bicester and Oxfordshire Bank .....	27,090	14,718	14,855	14,690	14,651
11 Birmingham Bank—Attwoods & Co.	23,695	21,685	21,987	20,450	19,725
12 Birmingham and Warwickshire Bk.	18,132	8,178	8,085	8,413	8,701
13 Blandford Bank .....	9,723	6,685	7,252	7,099	7,975
14 Boston Bank—Garfit and Co. ....	75,069	69,190	73,905	75,675	72,964
15 Boston Bank—Gee and Co. ....	15,161	14,062	14,571	13,717	14,884
16 Bridgewater Bank .....	10,028	7,204	7,470	7,963	7,246
17 Bristol Bank .....	48,277	34,528	33,384	34,210	36,695
18 Broseley and Bridgenorth Bank ...	26,717	17,481	18,985	18,054	18,384
19 Buckingham Bank .....	29,557	20,631	20,877	20,027	19,720
20 Bury and Suffolk Bank .....	82,362	62,946	63,533	64,735	64,921
21 Banbury Bank .....	43,457	33,905	36,689	34,341	33,826
22 Banbury Old Bank .....	55,153	25,726	27,208	26,935	24,972
23 Bath City Bank .....	4,572	2,111	2,192	2,698	3,034
24 Bedfordshire Leighton Buzzard Bk.	36,829	34,242	34,392	35,916	36,081
25 Birmingham Bk.—Lloyds & Co. ...	38,816	32,426	32,750	32,537	31,769
26 Bradford Old Bank .....	12,676	12,535	13,017	12,555	12,575
27 Brecon Old Bank .....	68,271	66,561	66,592	64,785	67,016
28 Brighton Union Bank .....	33,794	19,764	19,163	19,178	19,418
29 Burlington and Driffield Bank .....	12,745	11,604	11,620	12,065	12,280
30 Bury St. Edmund's Bank .....	3,201	3,292	3,360	3,247	2,640
31 Cambridge Bk.—Mortlock & Co. ....	25,744	14,234	14,136	14,504	15,521
32 Cambridge and Cambridgeshire Bk.	49,916	49,226	49,528	49,143	48,719
33 Canterbury Bank .....	33,671	31,047	30,821	30,501	32,952
34 Carmarthen Bank .....	23,597	22,309	21,474	22,006	22,242
35 Chertsey Bank .....	3,436	2,440	2,355	2,495	2,388
36 Colchester Bank .....	25,082	16,090	15,555	16,079	16,201
37 Colchester and Essex Bank .....	48,704	32,498	32,907	33,646	34,537
38 Cornish Bank—Tweedy & Co. ...	49,869	46,698	45,840	46,582	45,943
39 Coventry Bank .....	12,045	6,443	6,717	6,830	7,474
40 City Bank, Exeter .....	21,527	21,291	21,480	21,340	21,241
41 Craven Bank—Alcocks & Co. ...	77,154	69,933	68,576	68,687	69,947
42 Cardiff Bank .....	7,001	6,590	6,785	7,185	6,732
43 Chepstow Old Bank .....	9,387	8,994	9,076	9,624	9,404
44 Derby Bank—Messrs. Evans .....	13,332	10,924	10,692	9,976	10,568
45 Derby Bank—Smith and Co. ....	41,304	37,239	35,368	33,895	34,031
46 Derby Old Bank .....	27,237	24,676	24,308	25,158	26,606
47 Devizes and Wiltshire Bank .....	20,674	9,687	9,425	9,307	9,697
48 Diss Bank .....	10,657	10,045	10,124	10,358	10,139
49 Doncaster Bank and Retford Bank	77,400	70,984	71,791	71,686	74,215
50 Darlington Bank .....	86,218	82,631	82,195	83,153	83,791
51 Devonport Bank .....	10,664	9,665	8,815	8,976	9,499
52 Dorchester Old Bank .....	48,807	46,568	46,570	46,471	46,711
53 East Cornwall Bk.—Robins & Co. ....	112,280	92,199	91,597	91,360	92,128
54 East Riding Bank—Bower & Co. ....	53,392	51,253	51,782	51,892	52,326
55 Essex Bk. & Bishops Stortford Bk.	69,637	45,091	45,299	45,227	47,433
56 Exeter Bank .....	37,894	27,756	28,745	30,204	29,260
57 Fakenham Bank .....	24,293	19,885	19,994	20,719	21,781

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT.			
		June 16.	June 23.	June 30.	July 7.
	£	£	£	£	£
58 Faringdon Bk. & Bk. of Wantage	8,977	8,555	8,164	8,329	8,423
59 Farnham Bank.....	14,202	12,290	11,757	13,243	13,504
60 Faversham Bank .....	6,681	6,261	5,863	5,978	6,115
61 Godalming Bank.....	6,322	5,070	5,122	5,343	5,645
62 Guildford Bank .....	14,524	13,929	13,991	14,224	14,325
63 Grantham Bank—Hardy and Co.	30,372	25,846	27,221	27,496	28,494
64 Hastings Old Bank .....	38,038	25,665	25,978	25,804	26,545
65 Hereford City and County Bank..	22,364	17,827	17,204	16,971	18,165
66 Hertford and Ware Bank .....	23,635	21,394	20,160	19,072	18,415
67 Hull & Kingston-upon-Hull Bank	19,979	19,145	19,645	19,385	20,268
68 Huntingdon Town & County Bank	56,591	52,569	55,305	54,898	53,261
69 Harwich Bank .....	5,778	5,005	5,021	4,625	5,666
70 Hemel Hempstead Bank.....	23,842	22,280	23,197	24,072	23,945
71 Hertfordshire, Hitchin Bank .....	38,764	37,636	37,903	37,579	37,375
72 Hereford, Ross, & Archenfield Bk.	27,625	20,238	20,375	19,567	21,538
73 Ipswich Bank .....	21,901	19,157	19,733	20,143	19,985
74 Ipswich & Needham Market Bank	80,699	65,310	65,402	65,779	65,581
75 Kentish Bank—Mercer & Co. ...	19,895	11,713	10,886	11,005	11,725
76 Kington and Radnorshire Bank...	26,050	22,618	22,551	22,312	21,964
77 Knighton Bank .....	9,090	9,102	9,089	9,002	9,122
78 Knaresborough Old Bank .....	21,825	20,944	21,369	21,367	21,264
79 Kendal Bank .....	44,663	43,387	42,685	41,548	42,271
80 Kettering Bank .....	9,192	8,740	9,046	9,182	9,340
81 Lane End Staffordshire Bank ...	5,624	5,227	5,285	5,221	4,842
82 Leeds Bank .....	53,357	52,317	52,615	52,015	53,671
83 Leeds Union Bank .....	37,459	36,974	36,853	37,014	37,255
84 Leicester Bank .....	32,322	30,429	29,863	28,738	29,121
85 Lewes Old Bank .....	44,836	25,087	24,403	25,678	26,800
86 Lichfield Bank .....	22,786	8,487	8,810	9,858	10,784
87 Lincoln Bank .....	100,342	88,691	89,015	88,811	90,364
88 Llandoverly Bank & Llandilo Bank	32,945	15,701	15,905	17,993	17,54
89 Loughborough Bank .....	7,359	7,285	7,534	7,701	6,88
90 Lymington Bank.....	5,038	3,373	3,247	3,437	3,39
91 Lynn Regis and Lincolnshire Bank	42,817	34,198	33,155	34,019	35,42
92 Lynn Regis and Norfolk Bank ...	13,917	11,612	11,190	11,376	11,87
93 Macclesfield Bank .....	15,760	12,120	11,979	12,029	12,15
94 Manningtree Bank .....	7,692	2,367	2,474	2,353	2,37
95 Merionethshire Bank .....	10,906	8,163	7,659	7,508	7,66
96 Miners' Bank .....	18,688	18,408	17,861	18,151	19,05
97 Monmouthshire Agricultural and Commercial Bank .....	29,335	27,138	27,265	25,940	29,11
98 Monmouth Old Bank .....	16,385	14,894	15,135	15,764	15,65
99 Newark Bank .....	28,788	24,100	23,464	23,135	22,91
100 Newark and Sleaford Bank .....	51,615	50,405	49,195	47,140	46,76
101 Newbury Bank .....	36,787	20,106	20,008	20,392	20,84
102 Newmarket Bank.....	23,098	18,411	18,193	18,178	18,25
103 Norwich Crown Bank and Norfolk and Suffolk Bank .....	49,671	47,900	48,999	49,100	48,64
104 Norwich and Norfolk Bank .....	75,372	75,718	76,235	72,932	71,03
105 Nottingham, Nottinghamshire ...	10,866	10,073	10,437	10,133	10,20
106 Nuneaton Bank .....	5,898	3,803	3,872	3,510	3,56
107 Naval Bank, Plymouth .....	27,321	23,478	23,059	23,439	25,77
108 New Sarum Bk.—Everett & Smith	15,659	10,852	11,877	12,510	12,81
109 Nottingham Bank .....	31,047	29,238	30,324	31,028	30,90
110 Oswestry Bank .....	18,471	11,672	11,304	11,269	11,19
111 Oxford Old Bank .....	34,391	33,902	33,971	35,607	33,22
112 Old Bank, Tonbridge .....	13,183	7,726	8,205	8,030	8,26
113 Oxfordshire Witney Bank .....	11,852	11,097	11,318	11,040	11,45
114 Pease's Old Bank, Hull .....	48,807	45,240	45,866	46,201	46,00
115 Penzance Bank .....	11,405	10,137	10,706	10,724	10,75
116 Peterborough Bank—Yorks & Co.	12,545	9,149	9,339	9,283	9,43

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		June 16.	June 23.	June 30.	July 7.
	£	£	£	£	£
117 Pembrokeshire Bank .....	12,910	12,665	12,423	12,756	12,703
118 Reading Bank—Simmonds & Co. ....	37,519	32,069	31,963	31,967	32,201
119 Reading Bk.—Stephens & Blandy .....	43,271	28,081	28,240	29,142	29,727
120 Richmond Bank, Richmond .....	6,889	6,345	6,455	6,528	6,948
121 Rochdale Bank .....	5,590	4,873	4,995	5,030	5,173
122 Rochester, Chatham, & Strood Bk. ....	10,480	6,629	7,349	7,574	8,549
123 Royston Bank .....	16,393	14,099	14,590	13,987	13,101
124 Rugby Bank.....	17,250	9,206	8,971	9,090	8,903
125 Rye Bank.....	29,864	12,503	12,595	12,500	12,721
126 Ross Old Bank, Herefordshire ...	4,420	4,264	4,436	4,297	4,030
127 Saffron Walden & North Essex Bk. ....	47,646	27,115	26,423	26,978	27,440
128 Salop Bank .....	22,338	14,422	14,255	15,268	15,787
129 Scarborough Old Bank .....	24,813	23,034	22,045	22,884	23,484
130 Shrewsbury Old Bank.....	43,191	36,600	35,623	35,909	35,693
131 Sittingbourne and Milton Bank...	4,789	2,562	2,588	2,373	2,445
132 Southampton Town & County Bk. ....	18,589	13,036	12,423	12,435	14,567
133 Southwell Bank .....	14,744	11,038	11,419	10,897	11,623
134 Southampton and Hampshire Bk. ....	6,770	3,450	3,093	3,298	3,445
135 Stone Bank .....	9,174	345	345	345	345
136 Stafford Old Bank .....	14,166	11,963	11,667	12,365	12,469
137 Stamford and Rutland Bank .....	31,858	28,587	27,905	27,586	28,140
138 Shrewsbury and Welsh Pool Bank .....	25,336	24,486	23,282	23,309	22,596
139 Taunton Bank .....	29,799	25,064	25,020	25,075	25,786
140 Tavistock Bank .....	13,421	8,213	7,612	7,240	7,604
141 Thornbury Bank.....	10,026	5,707	5,989	6,037	5,763
142 Tiverton and Devonshire Bank ...	13,470	9,202	9,580	9,625	9,719
143 Thrapstone and Kettering Bank .....	11,559	11,052	11,649	11,747	11,434
144 Tring Bank and Chesham Bank..	13,531	11,595	12,450	13,089	13,599
145 Towcester Old Bank .....	10,801	7,710	7,975	7,955	7,894
146 Town and County of Poole Bk. .... and Ringwood and Poole Bk. ....	11,856	10,097	10,072	10,067	9,841
147 Union Bank, Cornwall .....	17,003	10,701	10,518	10,635	11,776
148 Uxbridge Old Bank .....	25,136	15,899	15,790	15,135	15,345
149 Wallingford Bank .....	17,064	7,460	7,508	7,597	7,708
150 Warwick and Warwickshire Bank .....	30,504	25,185	24,521	25,093	24,488
151 Wellington Bank, Somerset .....	6,528	2,330	2,427	3,455	3,756
152 West Riding Bank .....	46,158	44,077	44,210	44,855	49,221
153 Whitby Old Bank .....	14,258	14,029	14,025	13,921	14,375
154 Winchester, Alresford & Alton Bk. ....	25,892	18,410	18,282	18,779	20,269
155 Weymouth Old Bank.....	16,461	14,839	14,287	13,947	15,091
156 Wirksworth and Derbyshire Bk. ....	37,602	35,279	34,938	35,398	34,843
157 Wisbeach and Lincolnshire Bank .....	59,713	58,485	57,745	57,485	55,289
158 Wiveliscombe Bank.....	7,602	6,436	6,639	6,601	6,873
159 Wolverhampton Bk.—Goodricke .....	14,180	9,970	10,082	9,889	9,930
160 Worcester Bank .....	15,463	6,044	6,090	6,187	6,010
161 Worcester Old Bank .....	87,448	66,717	66,836	67,816	68,048
162 Worcestershire Bank .....	14,309	7,992	8,805	9,151	9,670
163 Wolverham, Bk.—R. & W. Fryer .....	11,867	10,760	11,342	11,246	11,180
164 Yarmouth and Suffolk Bank .....	53,060	41,203	40,975	45,625	48,612
165 Yarmouth, Norfolk, & Suffolk Bk. ....	13,229	12,416	12,529	12,801	13,003
166 York Bank .....	46,387	40,970	39,666	39,258	39,264

## JOINT STOCK BANKS.

1 Bank of Westmoreland.....	12,225	10,395	9,688	9,339	8,845
2 Barnsley Banking Company .....	9,663	9,152	8,795	9,144	9,374
3 Bradford Banking Company .....	49,292	49,331	50,446	49,242	48,035
4 Bilston District Banking Company .....	9,418	9,330	9,261	9,002	8,700
5 Bank of Whitehaven.....	32,681	30,269	29,475	29,174	28,804
6 Bradford Commercial Banking Co. ....	20,084	19,636	20,217	20,146	19,993
7 Burton, Uttoxeter, and Staffordshire Union Bank .....	60,702	55,002	54,243	53,119	55,254



# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		June 16.	June 23.	June 30.	July
	£	£	£	£	
8 Chesterfield & N. Derbysh. Bk. Co.	10,421	10,146	10,448	10,253	10,
9 Cumberlan Union Banking Co. ...	35,395	34,243	33,711	32,820	31,
10 Cheltenham & Glo'stershire Bk. Co.	12,786	10,056	10,021	10,002	9,
11 Coventry and Warwickshire Bk. Co.	28,734	21,850	21,018	21,816	22,
12 Coventry Union Banking Company	16,251	13,773	13,375	13,334	13,
13 County of Gloucester Banking Co.	144,352	104,175	103,802	105,900	107,
14 Carlisle & Cumberland Banking Co.	25,610	24,540	24,006	24,830	24,
15 Carlisle City and District Bank ...	19,972	19,462	20,261	19,754	20,
16 Dudley & West Bromwich Bk. Co.	37,696	7,845	6,620	5,573	4,
17 Derby and Derbyshire Banking Co.	20,093	17,631	19,318	19,910	19,
18 Darlington Dist. Joint Stock Bk. Co.	26,134	26,149	25,039	24,890	25,
19 East of England Bank .....	25,025	24,717	25,196	25,265	24,
20 Gloucestershire Banking Company	155,920	143,087	147,740	147,142	148,
21 Halifax Joint Stock Bank .....	18,534	17,985	18,620	18,254	19,
22 Huddersfield Banking Company...	37,354	34,675	34,757	33,956	32,
23 Hull Banking Company .....	29,333	25,597	26,014	27,469	28,
24 Halifax Commercial Banking Co.	13,733	13,438	12,635	13,400	14,
25 Halifax & Huddersfield Union Bk.	44,137	43,407	43,431	43,005	45,
26 Helston Banking Company .....	1,503	1,422	1,522	1,461	1,
27 Herefordshire Banking Company..	25,047	22,518	22,169	21,381	22,
28 Knaresborough and Claro Bk. Co.	28,059	27,612	27,830	28,104	27,
29 Kingsbridge Joint Stock Bank ....	3,952	3,361	3,689	3,554	3,
30 Lancaster Banking Company .....	64,311	57,505	56,609	54,504	56,
31 Leeds Banking Company .....	23,076	21,351	20,877	24,860	24,
32 Leicestershire Banking Company...	86,060	74,984	77,252	75,064	75,
33 Lincoln and Lindsey Banking Co.	51,620	46,601	48,044	50,742	51,
34 Leamington Priors and Warwick- shire Bank .....	13,875	12,195	11,753	11,706	12,
35 Ludlow and Tenbury Bank .....	10,215	9,785	9,835	9,801	9,
36 Moore & Robinson's Notts. Bank...	35,813	33,028	34,149	33,786	33,
37 Nottingham and Notts. Banking Co.	29,477	26,898	26,489	25,554	24,
38 National Provincial Bk. of England	442,371	411,295	414,621	427,147	434,
39 North Wilts Banking Company ...	63,939	41,970	41,095	42,194	40,
40 Northamptonshire Union Bank ...	84,356	77,060	76,337	74,639	75,
41 Northamptonshire Banking Co. ...	26,401	21,700	22,041	23,013	25,
42 North and South Wales Bank .....	63,951	43,910	43,276	44,026	44,
43 Parc's Leicestershire Banking Co.	59,300	51,662	50,916	50,580	51,
44 Saddleworth Banking Company ...	8,122	1,786	1,805	1,693	1,
45 Sheffield Banking Company .....	35,843	33,690	34,105	34,823	36,
46 Stamford, Spalding & Boston Bk. Co.	55,721	51,462	52,402	53,435	53,
47 Stuckey's Banking Company .....	356,976	335,595	336,775	340,962	341,
48 Shropshire Banking Company .....	47,951	33,767	35,903	33,710	35,
49 Stourbridge and Kidderminster Bk.	56,830	56,945	56,686	56,555	55,
50 Sheffield and Hallamshire Bank ...	23,524	22,700	22,436	22,665	24,
51 Sheffield & Rotherham Jt. Stock Bk.	52,496	50,928	50,973	51,887	54,
52 Swaledale and Wensleydale Bank...	54,372	51,191	51,215	50,927	50,
53 Storey and Thomas's Bank .....	9,714	9,936	9,990	9,271	9,
54 Wolverhampton & Staffordsh. Bk.	35,378	29,695	28,985	28,570	29,
55 Wakefield and Barnsley Union Bk.	14,604	13,792	14,169	13,915	13,
56 Whitehaven Joint Stock Bank ...	31,916	28,410	27,495	27,540	27,
57 Warwick and Leamington Bk. Co.	37,124	29,577	27,626	28,216	29,
58 West of England and South Wales District Bank .....	83,535	80,984	80,428	79,654	78,
59 Wilts & Dorset Banking Company	76,162	71,803	71,771	70,180	72,
60 West Riding Union Banking Co....	34,029	33,318	32,870	32,651	34,
61 Whitechurch and Ellesmere Bk. Co.	7,475	6,143	5,828	5,753	5,
62 Worcester City and County Bk. Co.	6,848	5,487	5,430	5,086	5,
63 York Union Banking Company ...	71,240	68,774	68,376	70,860	72,
64 York City and County Banking Co.	94,695	92,223	94,120	93,946	93,
65 Yorkshire Banking Company .....	122,532	120,371	125,200	122,899	117,

## SUMMARY OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	June 16.	June 23.	June 30.	July 7.
166 Private Banks.....	£4,600,718	£3,753,479	£3,760,446	£3,774,481	£3,818,403
65 Joint-Stock Banks..	3,325,857	3,989,405	3,001,227	3,013,800	3,037,361
231 Totals .....	7,926,575	6,742,884	6,761,673	6,788,281	6,855,764

*Average Weekly Circulation of these Banks for the month ending July 7th:—*

Private Banks .....	£5,776,703
Joint-Stock Banks .....	3,010,448

*Average Weekly Circulation of Private and Joint-Stock Banks ending as above* £6,787,150

On a comparison of the above with the Returns for the month ending 9th June last, it shows:—

A decrease in the notes of Private Banks, of .....	£54,023
A decrease in the notes of Joint-Stock Banks, of .....	60,873

Total decrease on the month..... £114,895

And, as compared with the month ending

8th July, 1854, it shows—

An increase in the notes of Private Banks, of .....	£152,508
An increase in the notes of Joint-Stock Banks, of .....	79,936

Total increase, as compared with the same period of last year .....

The following is the comparative state of the circulation, as regards the fixed issues—

The Private Banks are below their fixed issues.....

The Joint-Stock Banks are below their fixed issues.....

Total below the fixed issues .....

## Irish and Scotch Circulation Returns.

*Average Circulation, and Coin held by the IRISH and SCOTCH BANKS during the four weeks ending Saturday, the 7th day of July, 1855.*

### IRISH BANKS.

NAME OF BANK.	Authorised Circulation.	Average Circulation during Four Weeks, ending as above.			Average Am't of Gold & Silver Coin held during Four Weeks ending as above.
		£s and upwards.	Under £s.	Total.	
	£	£	£	£	£
Bank of Ireland .....	3,738,428	1,948,550	1,127,250	3,075,800	848,603
Provincial Bank of Ireland .....	927,667	338,258	466,585	804,843	285,229
Belfast Bank .....	281,611	65,442	263,439	328,881	223,487
Northern Bank .....	243,440	36,425	182,909	219,334	97,283
Ulster Bank .....	311,079	57,968	269,824	327,793	81,734
National Bank of Ireland...	761,757	441,525	480,521	922,046	319,843
Carriek-on-Suir Nat. Bank .....	24,084	9,613	10,367	19,981	3,563
Clonmel National Bank ...	66,428	29,750	24,174	53,924	9,254
TOTALS (Irish Banks) ...	6,354,494	2,927,531	2,825,069	5,752,602	1,868,996

### SCOTCH BANKS.

Bank of Scotland .....	300,485	132,791	261,308	394,099	178,871
Boyal Bank of Scotland ...	183,000	68,454	119,939	183,393	62,804
British Linen Company .....	438,024	192,950	302,035	494,985	211,860
Commercial Bk. of Scotland .....	374,880	151,567	317,664	469,232	186,527
National Bank of Scotland..	297,024	119,893	223,933	342,827	119,268
Union Bank of Scotland and Banking Com. in Aberdeen .....	415,690	199,351	339,905	539,257	180,794
Edinburgh & Glasgow Bk...	136,657	68,323	92,879	161,202	45,162
Aberdeen Town and Co. Bk. ....	70,133	46,335	73,598	119,933	55,061
North of Scotland Bk. Co....	154,319	114,175	109,826	224,001	107,484
Dundee Banking Company .....	33,451	15,251	24,584	39,836	12,681
Eastern Bank of Scotland...	33,636	17,787	23,297	41,084	16,897
Western Bank of Scotland..	337,938	171,120	365,762	536,882	299,576
Clydesdale Banking Co. ...	104,028	58,247	101,314	159,561	99,294
City of Glasgow Bank .....	72,921	98,150	118,722	216,872	171,961
Caledonian Banking Co. ...	53,434	27,483	48,261	75,744	29,136
Perth Banking Company ...	38,656	17,788	33,468	51,257	21,475
Central Bank of Scotland...	42,933	22,362	38,380	60,742	22,720
TOTALS (Scotch Banks)...	3,087,209	1,522,027	2,593,875	4,115,907	1,821,571

## CIRCULATION RETURNS.

### SUMMARY OF IRISH & SCOTCH RETURNS TO JULY 7, 11

The Returns of Circulation of the Irish and Scotch Banks for the four weeks ending 7th July, when added together, give the following as the average weekly circulation of these banks during the past month, viz. —

Average Circulation of the Irish Banks... £5,752,602  
Average Circulation of the Scotch Banks... 4,115,907

Total Average Circulation of these Banks for the past month ..... £9,868,509

On comparing these amounts with the Returns for the month ending 9th June last, they show—

Decrease in the Circulation of Irish Banks £369,383  
Decrease in the Circulation of Scotch Banks 261,788

Total decrease on the month ..... £631,171

And, as compared with the month ending July 8th, 1854, they show—

Decrease in the Circulation of Irish Banks £48,760  
Increase in the Circulation of Scotch Banks 95,346

Total increase on the year ..... £46,586

The fixed issues of the Irish and Banks at the present time are given *Banking Almanac*, as follows:—

8 Banks in Ireland, allowed to issue....  
18 Banks in Scotland, allowed to issue..

26 Banks in all, allowed to issue.....

The following appears, therefore, comparative state of the circulation:—

Irish Banks are below their fixed issue ..  
Scotch Banks are above their fixed issue ..

Total above the fixed issue |.....

The amounts of Gold and Silver held by the offices of the several banks, at past month, have been as follows:—

Gold and Silver held by the Irish Banks ..  
Gold and Silver held by the Scotch Banks ..

Total of Gold and Silver Coin ..... £

Being a decrease of £26,686 on the Irish Banks, and an increase of on the part of the Scotch Banks, several amounts held by them during preceding month.

### CIRCULATION OF THE UNITED KINGDOM TO JULY 7, 1855

The following is the state of the Note Circulation of the United Kingdom, month ending the 7th July, 1855.

Circulation of Notes for the Month ending 7th July, as compared with the previous month:—

	June 9.	July 7.	Increase.	Decrease.
Bank of England .....	£19,607,637	£19,931,654	£323,997	
Private Banks .....	3,830,725	3,776,702	—	54,023
Joint-Stock Banks .....	3,071,330	3,010,448	—	60,882
Total in England .....	26,509,702	26,718,804	226,997	
Scotland .....	4,377,695	4,115,907	—	261,788
Ireland .....	6,021,945	5,752,602	—	269,383
United Kingdom .....	£36,909,382	£36,587,313	£323,997	£521,171

The comparison of the month ending July 8th, 1854, with the month ending July 7th, 1855, shows a decrease in the Bank of England circulation of £226,997; an increase in Private Banks of £152,508, and an increase in Joint-Stock Banks of £79,956; being a total increase in England of £180,411; while in Scotland there is a decrease of £261,788; and in Ireland a decrease of £269,383. Thus showing the month ending 7th July, as compared with the same period last year, a decrease of £261,788 in England, and an increase of £226,997 in the United Kingdom.

The return of Bullion in the Bank of England, for the month ending July 7th, gives an aggregate amount in both departments of £17,958,096. On a comparison with the Return for the month ending June 9th, there appears to be an increase of £641,682; and an increase of £4,154,057 as compared with the same period last year.

The stock of specie held by the Banks in Scotland and Ireland during the month ending 7th July, was £3,690,567; being an increase of £15,941 as compared with the return of the previous month, and an increase of £284,800 as compared with the corresponding period last year.

Waterlow and Sons, Printers, Carpenters' Hall, London Wall.

THE ENGLISH FUNDS.—Daily Prices from 26th September to 26th October, 1855, inclusive.

	26	27	28	29	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Bank Stock (div. 5 per Ct.)	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut
3 per Ct. Red. Anns.	89	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½
New 3 per Cent. Consols Anns.	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	
Ditto ex. div. for opening	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
New 3½ per Cent.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
5 per Cent.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Long Anns. Jan. 5, 1860	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	
Ditto 30 years, Oct. 10, 1859	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut
Ditto 30 years, Jan. 3, 1860	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut
Ditto 30 years, Apr. 3, 1855	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut	shut
India Stock (div. 104 percent.)	228	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Do. Bonds £1000 (div. 4 p.c.)	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Ditto, under £500	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Bank Stock for ac. 12th Oct.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Ditto for account 5th Nov.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Ditto for account 8th Nov.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
India Stock for ac. 8th Nov.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Omanium	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Ex. Bills £1000, 21d. per item	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Ditto, £500 do.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Ditto, Small do.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Ditto Bonds scrip A 1938 (p.c.)	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½
Ditto Scrip B 1859	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½

JOINT-STOCK BANKS.

	London	Least Prices.
Australasia	£40 ab.	0 pd. £964
British North American	50	0
Bank of London	100	50
Commercial of London	100	20
Colonial	100	25
City Bank	100	50
London and Westminster	100	50
London Joint Stock	50	10
Oriental Bank	25	25
Provincial of Ireland	100	25
National Provincial (f England)	150	25
South Australian	100	25
Union of Australia	25	25
Union of London	20	10
London Chartered of Australia	50	20
English, Scottish, and Austre-	20	20
lian Chartered	20	20
Bank of India, China, and	20	20
Australis	20	20
New South Wales	20	20

FOREIGN STOCKS (28th October.)

Brazilian Bonds, 5 per Cent.	100
Chilian Bonds, 6 per Cent.	100
Danish 5 per Cent.	100
Mexican 5 per Cent.	100
Peruvian 5 per Cent.	100
Portuguese Bonds, 5 per Cent.	100
Russian Bonds, 5 per Cent.	100
Ditto, 4 per Cent.	100
Ditto, 3 per Cent.	100
Spanish Bonds, 5 per Cent.	100
Ditto, 3 per Cent.	100
Ditto, 2 per Cent.	100
Turkish 6 per Cent.	100
(Dividends on the above payable in London.)	
Dutch 3 per Cent.	100
Ditto 4 per Cent. Loan	100
French 4 per Cent. at Paris, Oct. 27, 1855	100
Ditto 3 per Cent., ditto	100

RAILWAY SHARES.

	Contract.	Paid up	Prices
Caledonian	..	100	59½
Eastern Counties	..	100	59½
Great Northern	..	100	59½
Great Western	..	100	59½
London and Blackwall	..	100	59½
London and Brighton	..	100	59½
North-West	..	100	59½
South-West	..	100	59½
Midland	..	100	59½
South-Eastern	..	100	59½
York, Newcastle, & Berwick	..	100	59½
York & North Midland	..	100	59½

The closing prices of the day are quoted.

# Bank of England Weekly Returns.

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the Weeks ending as follows.

## ISSUE DEPARTMENT.

	1855. July 21st.	1855. July 28th.	1855. Aug. 4th.	1855. Aug. 11th.	1855. Aug. 18th.
<i>N</i> otes issued.....	29,988,810	29,745,999	29,661,590	29,656,275	29,566,690
Government debt.....	11,015,100	11,015,100	11,015,100	11,015,100	11,015,100
Other securities.....	2,984,900	2,984,900	2,984,900	2,984,900	2,984,900
Gold coin and bullion.....	15,969,810	15,745,999	15,661,590	15,656,275	15,566,690
Silver bullion.....	—	—	—	—	—
	29,988,810	29,745,999	29,661,590	29,656,275	29,566,690

## BANKING DEPARTMENT.

	1855. July 21st.	1855. July 28th.	1855. Aug. 4th.	1855. Aug. 11th.	1855. Aug. 18th.
Proprietors' capital.....	14,553,000	14,553,000	14,553,000	14,553,000	14,553,000
Reserve.....	3,252,303	3,256,786	3,250,672	3,260,660	3,260,731
Public deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts).....	3,178,633	4,221,408	5,152,221	6,266,890	6,467,739
Other deposits.....	13,604,199	11,883,528	11,857,328	11,604,444	12,320,400
Seven day and other bills.....	1,061,838	1,511,615	1,082,978	1,002,187	1,012,112
	35,649,973	35,426,337	35,966,999	36,788,181	37,563,982
Government securities (including Dead Weight Annuity).....	13,071,978	13,092,528	12,851,030	12,766,624	12,810,164
Other securities.....	12,706,106	12,913,263	13,592,925	14,229,692	14,942,005
Notes.....	9,207,945	8,791,145	8,892,300	9,156,845	9,289,680
Gold and silver coin.....	663,342	639,402	636,144	633,020	610,208
	35,649,973	35,426,337	35,966,999	36,788,181	37,563,982

## The Exchanges.

	July 20th.	July 27th.	Aug. 3rd.	Aug. 10th.	Aug. 17th.
Amsterdam, short ..	11 17½	11 17½	11 17	11 16½	11 16½
Ditto 3 months.....	11 18½	11 19½	11 18½	11 18½	11 18½
Rotterdam, ditto ..	11 19	11 19	11 18½	11 18½	11 18½
Antwerp, ditto ..	25 35	25 35	25 37½	25 37½	25 32½
Brussels, ditto ..	25 35	25 35	25 37½	25 37½	25 32½
Hamburgh, ditto.....	13 7½	13 7½	13 6	13 6	13 8
Paris, short ..	25 10	25 7½	25 7½	25 10	25 12½
Paris, 3 months ..	25 35	25 35	25 37½	25 37½	25 37½
Marseilles, ditto ..	25 35	25 37½	25 37½	25 40	25 37½
Frankfort, ditto ..	118½	118½	118½	118½	118½
Vienna, ditto.....	12 15	12 4	12 3	11 52	11 26
Trieste, ditto.....	12 16	12 6	12 6	11 54	11 28
Petersburgh, ditto ..	35½	35½	35½	35½	35½
Madrid, ditto ..	50	50½	50½	50½	50½
Cadix, ditto ..	50½	50½	50½	50½	50½
Leghorn, ditto ..	39 90	30	30 5	30 5	30 5
Genoa, ditto ..	25 47½	25 45	25 47½	25 47½	25 50
Naples, ditto.....	44½	44½	44½	44½	44½
Palermo, ditto ..	132½	132½	132½	132½	132½
Messina, ditto ..	132½	132½	132½	133	132½
Lisbon, 60 days' date ..	53	53½	53	53½	53
Oporto, ditto ..	53½	53½	53½	53½	53½
Rio Janeiro, ditto ..	—	—	—	—	—

## PRICES OF BULLION.

	Per Ounce.	Per Ounce.	Per Ounce.	Per Ounce.	Per Ounce.
Foreign Gold in Bars .. (Standard) .....	£3 17 9	£3 17 9	£3 17 9	£3 17 9	£3 17 9
Mexican Dollars .....	0 0 0	0 5 0½	0 0 0	0 5 0½	0 0 0
Silver in Bars (Stand.) ..	0 0 0	0 5 1½	0 0 0	0 5 1½	0 0 0

# Bankers' Weekly Circulation Returns.

Pursuant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTES.

## PRIVATE BANKS.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		July 14.	July 21.	July 28.	Aug. 4.
	£	£	£	£	£
1 Andover Bank .....	17,751	13,167	12,769	12,738	12,490
2 Ashford Bank .....	11,849	10,203	10,642	11,380	10,370
3 Aylsham Bank .....	5,854	5,204	5,147	5,303	5,305
4 Aylesbury Old Bank .....	48,461	28,622	28,900	28,308	28,155
5 Baldock and Biggleswade Bank ...	37,223	29,022	29,247	27,095	26,952
6 Barnstaple Bank .....	17,182	8,794	8,601	8,286	7,850
7 Basingstoke and Odiham Bank ...	24,730	22,395	22,540	23,400	23,820
8 Bedford Bank .....	34,218	33,521	33,287	34,839	33,421
9 Bewdley Bank .....	18,597	10,728	10,636	10,786	10,395
10 Bicester and Oxfordshire Bank ...	27,090	14,381	13,945	13,192	13,344
11 Birmingham Bank—Attwoods & Co.	23,695	22,165	23,031	24,228	24,285
12 Birmingham and Warwickshire Bk.	18,132	9,623	11,311	11,208	11,245
13 Blandford Bank .....	9,723	7,509	7,121	7,034	6,565
14 Boston Bank—Garfit and Co. ....	75,069	72,740	70,480	68,964	66,195
15 Boston Bank—Gee and Co. ....	15,161	13,757	14,504	13,347	13,384
16 Bridgewater Bank .....	10,028	7,186	7,251	7,159	6,694
17 Bristol Bank .....	48,277	32,945	33,244	33,459	35,314
18 Broseley and Bridgenorth Bank ...	26,717	18,559	18,914	17,614	16,751
19 Buckingham Bank .....	29,557	21,042	20,710	21,271	20,593
20 Bury and Suffolk Bank .....	82,362	66,075	65,808	64,463	62,813
21 Banbury Bank .....	43,457	35,713	35,156	32,967	31,103
22 Banbury Old Bank .....	55,153	23,581	22,612	21,785	21,661
23 Bath City Bank .....	4,572	2,777	2,791	2,683	2,414
24 Bedfordshire Leighton Buzzard Bk.	36,829	38,232	36,701	35,632	36,305
25 Birmingham Bk.—Lloyds & Co. ...	38,816	32,803	33,490	31,736	30,215
26 Bradford Old Bank .....	12,676	11,742	12,219	13,251	12,481
27 Brecon Old Bank .....	68,271	67,095	65,967	64,668	65,893
28 Brighton Union Bank .....	33,794	19,304	19,017	18,794	18,986
29 Burlington and Driffield Bank .....	12,745	12,425	11,837	11,638	11,877
30 Bury St. Edmund's Bank .....	3,201	2,515	2,477	2,535	2,776
31 Cambridge Bk.—Mortlock & Co.	25,744	15,389	14,384	14,184	13,809
32 Cambridge and Cambridgeshire Bk.	49,916	47,368	47,125	46,059	45,650
33 Canterbury Bank .....	33,671	34,172	33,416	32,607	31,724
34 Carmarthen Bank .....	23,597	21,486	20,907	20,778	21,123
35 Chertsey Bank .....	3,436	2,261	2,460	2,532	2,442
36 Colchester Bank .....	25,082	16,566	16,441	16,099	16,510
37 Colchester and Essex Bank .....	48,704	33,870	32,929	33,359	34,037
38 Cornish Bank—Tweedy & Co. ...	49,869	46,853	47,570	46,230	47,008
39 Coventry Bank .....	12,045	7,688	7,680	7,599	7,694
40 City Bank, Exeter .....	21,527	21,308	21,121	20,051	19,296
41 Craven Bank—Alcocks & Co. ...	77,154	72,170	70,131	70,143	69,019
42 Cardiff Bank .....	7,001	6,899	7,138	6,982	6,619
43 Chepstow Old Bank .....	9,387	9,410	8,808	8,602	8,960
44 Derby Bank—Messrs. Evans .....	13,332	10,750	10,509	10,867	10,993
45 Derby Bank—Smith and Co. ....	41,304	33,691	32,045	31,098	31,251
46 Derby Old Bank .....	27,237	26,292	25,510	25,881	26,395
47 Devizes and Wiltshire Bank .....	20,674	9,666	9,132	8,553	8,700
48 Diss Bank .....	10,657	9,872	10,070	10,118	9,861
49 Doncaster Bank and Retford Bank	77,400	74,188	72,889	72,034	71,274
50 Darlington Bank .....	86,218	83,372	84,690	85,946	84,355
51 Devonport Bank .....	10,664	9,807	10,054	9,828	8,071
52 Dorchester Old Bank .....	48,807	46,584	46,485	46,392	47,075
53 East Cornwall Bk.—Robins & Co.	112,280	93,924	94,432	93,333	91,684
54 East Riding Bank—Bower & Co.	53,392	51,934	51,149	52,023	51,968
55 Essex Bk. & Bishops Stortford Bk.	69,637	46,122	46,405	44,973	44,663
56 Exeter Bank .....	37,894	29,157	28,796	27,649	26,950
57 Faringdon Bk. & Bk. of Wantage	8,977	8,114	7,755	7,201	7,234

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Sept. 8.	Sept. 15.	Sept. 22.	Sept. 29.
	£	£	£	£	£
58 Farnham Bank.....	14,102	11,699	12,255	12,433	12,647
69 Faversham Bank.....	6,681	6,280	6,439	6,313	6,317
60 Godalming Bank.....	6,322	4,772	4,385	4,774	4,545
61 Guildford Bank.....	14,524	12,560	13,099	13,062	13,655
62 Grantham Bank—Hardy and Co.	30,372	25,409	24,779	26,569	28,218
63 Hastings Old Bank.....	38,038	25,880	25,697	25,010	26,328
64 Hereford City and County Bank..	22,364	17,702	18,270	18,160	18,071
65 Hertford and Ware Bank.....	23,635	14,382	14,570	14,530	14,981
66 Hull & Kingston-upon-Hull Bank	19,979	19,183	18,887	18,766	18,959
67 Huntingdon Town & County Bank	56,591	52,174	55,179	53,365	59,602
68 Harwich Bank.....	5,778	5,640	5,923	6,016	5,441
69 Hemel Hempstead Bank.....	23,842	23,070	23,011	22,804	23,441
70 Hertfordshire, Hitchin Bank.....	38,764	34,703	35,144	36,376	37,190
71 Hereford, Ross, & Archenfield Bk.	27,625	22,366	22,190	22,741	23,820
72 Ipswich Bank.....	21,901	19,080	19,170	19,284	19,699
73 Ipswich & Needham Market Bank	80,699	62,935	65,162	66,229	72,954
74 Kentish Bank—Mercer & Co. ...	19,895	12,806	12,302	11,631	13,314
75 Kingston and Radnorshire Bank...	26,050	24,891	25,858	26,782	26,361
76 Knighton Bank.....	9,090	9,046	9,131	9,050	9,097
77 Knaresborough Old Bank.....	21,825	21,045	21,185	21,284	21,218
78 Kendal Bank.....	44,663	39,638	39,656	40,341	42,519
79 Kettering Bank.....	9,192	9,065	8,893	8,966	8,857
80 Lane End Staffordshire Bank ...	5,624	5,026	5,061	5,377	5,378
81 Leeds Bank.....	53,357	53,486	53,831	53,241	52,571
82 Leeds Union Bank.....	37,459	37,176	37,579	37,231	37,744
83 Leicester Bank.....	32,322	24,853	26,256	25,755	26,846
84 Lewes Old Bank.....	44,816	26,582	26,382	26,975	28,436
85 Lichtfield Bank.....	22,786	10,046	8,927	9,681	9,202
86 Lincoln Bank.....	100,342	73,466	74,468	77,973	82,159
87 Llandoverly Bank & Llandilo Bank	32,945	19,474	21,754	28,205	29,601
88 Loughborough Bank.....	7,359	7,250	7,048	6,901	7,268
89 Lymington Bank.....	5,018	3,463	3,548	3,737	3,833
90 Lynn Regis and Lincolnshire Bank	42,817	33,791	34,542	36,040	37,340
91 Lynn Regis and Norfolk Bank ...	13,917	11,761	11,349	11,086	12,106
92 Macclesfield Bank.....	15,760	12,851	12,984	13,075	12,917
93 Manningtree Bank.....	7,692	1,903	2,118	2,173	2,405
94 Merionethshire Bank.....	10,906	6,854	7,960	9,829	10,847
95 Miners' Bank.....	18,688	17,185	17,649	17,285	17,720
96 Monmouthshire Agricultural and Commercial Bank.....	29,335	25,588	26,359	27,089	27,066
97 Monmouth Old Bank.....	16,385	15,555	16,137	15,710	15,400
98 Newark Bank.....	28,788	18,767	18,776	19,952	22,056
99 Newark and Sleaford Bank.....	51,615	41,238	42,887	44,725	49,210
100 Newbury Bank.....	36,787	19,601	18,996	19,027	20,507
101 Newmarket Bank.....	23,098	15,641	16,130	16,678	17,621
102 Norwich Crown Bank and Norfolk and Suffolk Bank.....	49,671	46,470	48,517	50,020	49,974
103 Norwich and Norfolk Bank.....	75,372	85,163	88,405	89,469	93,505
104 Nottingham, Nottinghamshire ...	10,866	8,653	8,929	9,417	10,103
105 Nuneaton Bank.....	5,898	2,586	2,900	3,015	3,242
106 Naval Bank, Plymouth.....	27,321	10,572	10,706	11,325	12,319
107 New Sarum Bk.—Everett & Smith	15,659	12,374	12,879	12,633	12,476
108 Nottingham Bank.....	31,047	31,731	31,050	30,927	30,127
109 Oswestry Bank.....	18,471	10,645	10,453	10,518	11,128
110 Oxford Old Bank.....	34,391	26,163	25,149	25,279	25,710
111 Old Bank, Tonbridge.....	13,183	7,563	7,530	7,560	8,338
112 Oxfordshire Witney Bank.....	11,852	10,600	10,084	10,383	11,183
113 Pease's Old Bank, Hull.....	48,807	46,332	47,020	46,828	46,520
114 Penzance Bank.....	11,405	11,355	10,950	10,922	10,802
115 Peterborough Bank—Yorke & Co.	12,545	9,215	9,659	9,945	9,455
116 Pembrokeshire Bank.....	12,910	10,095	9,744	9,720	11,200

# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		July 14.	July 21.	July 28.	Aug. 4.
	£	£	£	£	£
117 Reading Bank—Simmonds & Co.	37,519	30,695	30,855	31,070	32,840
118 Reading Bk.—Stephens & Blandy	43,271	29,417	29,273	29,583	28,045
119 Richmond Bank, Richmond .....	6,889	6,922	7,050	6,745	6,583
120 Rochdale Bank .....	5,590	5,088	5,036	4,841	4,536
121 Rochester, Chatham, & Strood Bk.	10,480	8,577	8,561	8,024	7,705
122 Royston Bank .....	16,393	13,118	13,367	11,970	11,607
123 Rugby Bank .....	17,250	8,733	8,290	8,045	8,200
124 Rye Bank .....	29,864	12,385	12,294	12,105	11,689
125 Ross Old Bank, Herefordshire ...	4,420	4,266	4,531	4,379	4,410
126 Saffron Walden & North Essex Bk.	47,646	25,656	22,577	22,053	23,396
127 Salop Bank .....	22,338	16,251	16,237	15,315	14,963
128 Scarborough Old Bank .....	24,813	23,185	23,039	22,529	22,435
129 Shrewsbury Old Bank .....	43,191	36,598	35,223	33,315	32,230
130 Sittingbourne and Milton Bank...	4,789	2,570	2,643	2,914	3,206
131 Southampton Town & County Bk.	18,589	14,216	12,997	16,658	15,869
132 Southwell Bank .....	14,744	12,545	11,621	11,167	10,730
133 Southampton and Hampshire Bk.	6,770	3,326	3,335	3,382	3,313
134 Stone Bank .....	9,174	345	345	345	345
135 Stafford Old Bank .....	14,166	13,067	13,047	13,023	12,758
136 Stamford and Rutland Bank .....	31,858	26,867	26,790	27,129	24,571
137 Shrewsbury and Welsh Pool Bank	25,336	23,256	24,747	24,189	23,519
138 Taunton Bank .....	29,799	26,075	25,647	25,469	25,769
139 Tavistock Bank .....	13,421	8,587	8,274	7,533	7,358
140 Thornbury Bank .....	10,026	5,955	6,000	6,293	6,270
141 Tiverton and Devonshire Bank ...	13,470	9,746	9,961	9,964	9,483
142 Thrapstone and Kettering Bank...	11,559	11,253	11,515	10,873	12,050
143 Tring Bank and Chesham Bank...	13,531	13,797	13,733	13,538	12,520
144 Towcester Old Bank .....	10,801	7,895	8,215	8,108	7,650
145 Town and County of Poole Bk. and Ringwood and Poole Bk.	11,856	10,132	10,313	10,499	10,777
146 Union Bank, Cornwall .....	17,003	12,077	11,192	10,778	11,218
147 Uxbridge Old Bank .....	25,136	14,669	15,175	15,671	15,100
148 Wallingford Bank .....	17,064	7,492	7,245	6,873	6,950
149 Warwick and Warwickshire Bank	30,504	25,386	25,217	24,539	23,792
150 Wellington Bank, Somerset .....	6,528	4,621	5,550	5,807	5,693
151 West Riding Bank .....	46,158	47,475	45,106	43,576	43,961
152 Whitby Old Bank .....	14,258	14,555	13,706	13,370	12,873
153 Winchester, Alresford & Alton Bk.	25,892	20,386	20,971	21,129	21,835
154 Weymouth Old Bank .....	16,461	15,744	16,145	16,099	15,649
155 Wirksworth and Derbyshire Bk.	37,602	35,218	34,761	36,004	35,878
156 Wisbeach and Lincolnshire Bank	59,713	53,691	51,707	50,945	50,130
157 Wiveliscombe Bank .....	7,602	6,561	6,511	6,443	7,469
158 Wolverhampton Bk.—Goodricke	14,180	10,112	9,900	9,922	10,437
159 Worcester Bank .....	15,463	6,065	5,886	5,394	5,145
160 Worcester Old Bank .....	87,448	68,975	68,445	67,828	66,654
161 Worcestershire Bank .....	14,309	9,805	9,497	9,583	8,610
162 Wolverham. Bk.—R. & W. Fryer	11,867	11,727	12,060	11,548	11,147
163 Yarmouth and Suffolk Bank .....	53,060	46,150	45,704	45,757	44,331
164 Yarmouth, Norfolk, & Suffolk Bk.	13,229	13,153	12,714	12,376	12,075
165 York Bank .....	46,387	39,627	39,777	39,358	38,870

## JOINT STOCK BANKS.

1 Bank of Westmoreland.. .....	12,225	8,607	8,687	8,215	8,055
2 Barnsley Banking Company .....	9,563	9,378	8,887	8,443	8,323
3 Bradford Banking Company .....	49,292	50,648	50,740	47,418	47,160
4 Bilston District Banking Company	9,418	9,995	10,105	7,745	8,015
5 Bank of Whitehaven .....	32,681	29,191	29,481	29,293	28,603
6 Bradford Commercial Banking Co.	20,084	20,486	20,384	19,040	18,810
7 Burton, Uttoxeter, and Staffordshire Union Bank .....	60,701	53,368	47,459	43,907	42,644



# WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.		
		July 14.	July 21.	July 28.
	£	£	£	£
8 Chesterfield & N. Derbysh. Bk. Co.	10,421	10,184	9,854	10,050
9 Cumberland Union Banking Co.	35,395	32,299	31,842	31,468
10 Cheltenham & Glo'stershire Bk. Co.	12,736	9,540	9,658	9,430
11 Coventry and Warwickshire Bk. Co.	28,734	22,042	23,257	22,841
12 Coventry Union Banking Company	16,251	13,806	14,083	13,458
13 County of Gloucester Banking Co.	144,352	106,338	106,594	104,397
14 Carlisle & Cumberland Banking Co.	25,610	24,216	23,471	24,468
15 Carlisle City and District Bank	19,972	20,201	19,784	19,582
16 Dudley & West Bromwich Bk. Co.	37,696	4,175	3,680	3,413
17 Derby and Derbyshire Banking Co.	20,091	19,640	20,122	19,490
18 Darlington Dist. Joint Stock Bk. Co.	26,134	25,941	26,047	25,340
19 East of England Bank	25,025	23,240	24,370	24,182
20 Gloucestershire Banking Company	155,920	150,253	152,767	149,788
21 Halifax Joint Stock Bank	18,534	19,233	18,771	17,740
22 Huddersfield Banking Company	37,354	37,041	39,915	36,690
23 Hull Banking Company	29,333	29,519	28,570	25,589
24 Halifax Commercial Banking Co.	13,733	14,151	13,613	13,255
25 Halifax & Huddersfield Union Bk.	44,137	47,738	45,689	40,572
26 Helston Banking Company	1,503	1,468	1,490	1,468
27 Herefordshire Banking Company	25,047	22,602	21,782	21,526
28 Knaresborough and Claro Bk. Co.	28,059	26,973	26,457	25,036
29 Kingsbridge Joint Stock Bank	3,952	3,344	3,447	3,484
30 Lancaster Banking Company	64,311	56,547	56,072	53,745
31 Leeds Banking Company	23,076	22,989	23,085	23,040
32 Leicestershire Banking Company	86,060	74,167	72,653	68,749
33 Lincoln and Lindsey Banking Co.	51,620	51,086	50,625	48,800
34 Leamington Priors and Warwickshire Bank	13,875	11,663	11,295	11,218
35 Ludlow and Tenbury Bank	10,215	9,814	9,975	9,926
36 Moore & Robinson's Notts. Bank	35,813	30,983	31,687	34,491
37 Nottingham and Notts. Banking Co.	29,477	25,660	25,643	26,054
38 National Provincial Bk. of England	442,371	435,335	413,751	401,766
39 North Wilts Banking Company	63,939	41,611	42,975	42,875
40 Northamptonshire Union Bank	84,356	74,310	72,568	68,841
41 Northamptonshire Banking Co.	26,401	24,766	25,096	23,495
42 North and South Wales Bank	63,951	45,055	45,185	44,229
43 Parc's Leicestershire Banking Co.	59,300	51,422	48,240	47,984
44 Salford Banking Company	8,122	1,986	1,997	1,931
45 Sheffield Banking Company	35,843	36,410	34,148	34,618
46 Stamford, Spalding & Boston Bk. Co.	55,721	52,594	51,129	48,343
47 Stuckey's Banking Company	356,976	341,380	335,490	326,820
48 Shropshire Banking Company	47,951	35,549	37,461	37,985
49 Stourbridge and Kidderminster Bk.	56,830	57,412	56,034	56,197
50 Sheffield and Hallamshire Bank	23,524	21,400	22,964	23,351
51 Sheffield & Rotherham Jt. Stock Bk.	52,496	53,868	52,272	51,068
52 Swaledale and Wensleydale Bank	54,372	51,020	51,630	51,340
53 Storey and Thomas's Bank	9,714	9,718	9,270	9,139
54 Wolverhampton & Staffordsh. Bk.	35,378	32,689	33,171	30,293
55 Wakefield and Barnsley Union Bk.	14,604	13,722	13,430	13,774
56 Whitehaven Joint Stock Bank	31,916	27,665	27,276	25,676
57 Warwick and Leamington Bk. Co.	37,124	28,297	28,252	27,987
58 West of England and South Wales District Bank	83,535	82,809	82,026	78,873
59 Wilts & Dorset Banking Company	79,162	74,062	75,305	74,732
60 West Riding Union Banking Co.	34,029	36,869	35,631	31,446
61 Whitchurch and Ellesmere Bk. Co.	7,475	5,563	5,661	5,508
62 Worcester City and County Bk. Co.	6,848	6,223	6,336	5,491
63 York Union Banking Company	71,240	69,913	67,780	68,030
64 York City and County Banking Co.	94,695	91,221	90,965	88,691
65 Yorkshire Banking Company	122,532	119,189	116,163	112,867

## SUMMARY OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	July 14.	July 21.	July 28.	Aug. 4.
165 Private Banks.....	£4,600,718	£3,814,373	£3,766,997	£3,705,297	£3,649,541
65 Joint-Stock Banks..	3,325,857	3,052,584	3,003,247	2,916,761	2,876,260
230 Totals .....	7,926,575	6,866,957	6,770,244	6,622,058	6,525,801

*Average Weekly Circulation of these Banks for the month ending August 4th:—*

Private Banks .....	£3,734,052
Joint-Stock Banks .....	2,962,213

*Average Weekly Circulation of Private and Joint-Stock Banks ending as above £6,696,265*

*On a comparison of the above with the Returns for the month ending 7th July last, it shows:—*

A decrease in the notes of Private Banks, of .....	£42,650
A decrease in the notes of Joint-Stock Banks, of .....	48,235

*Total decrease on the month..... £90,885*

*And, as compared with the month ending 5th August, 1854, it shows—*

An increase in the notes of Private Banks, of .....	£163,566
An increase in the notes of Joint-Stock Banks, of .....	78,970

*Total increase, as compared with the same period of last year .....* £242,530

*The following is the comparative state of the circulation, as regards the fixed issues—*

The Private Banks are below their fixed issues.....	£866,666
The Joint-Stock Banks are below their fixed issues.....	363,644

*Total BELOW the fixed issues .....* £1,230,310

## Irish and Scotch Circulation Returns.

*Average Circulation, and Coin held by the IRISH and SCOTCH BANKS during the four weeks ending Saturday, the 4th day of August, 1855.*

### IRISH BANKS.

NAME OF BANK.	Authorised Circulation.	Average Circulation during Four Weeks, ending as above.			Average Am. of Gold & Silver Coin held during Four Weeks ending as above.
		£s and upwards.	Under £s.	Total.	
	£	£	£	£	£
Bank of Ireland .....	3,738,428	1,963,725	1,078,925	3,042,650	846,979
Provincial Bank of Ireland	927,667	346,748	461,253	808,001	291,172
Belfast Bank .....	281,611	63,096	255,493	318,589	215,766
Northern Bank .....	243,440	37,710	177,975	215,686	98,611
Ulster Bank .....	311,079	54,181	259,021	313,203	84,603
National Bank of Ireland...	761,757	430,157	465,128	895,286	302,554
Carrick-on-Suir Nat. Bank	24,084	9,469	9,903	19,372	3,273
Clonmel National Bank ...	66,428	29,408	21,726	51,135	8,973
TOTALS (Irish Banks) ...	6,354,494	2,934,494	2,729,424	5,663,922	1,851,931

### SCOTCH BANKS.

Bank of Scotland .....	300,485	129,327	259,062	388,389	178,836
Boyal Bank of Scotland ...	183,000	79,605	120,679	200,284	62,496
British Linen Company .....	438,024	180,600	293,872	474,472	214,426
Commercial Bk. of Scotland	374,880	164,135	314,061	478,196	156,588
National Bank of Scotland..	297,024	114,780	224,161	338,941	89,731
Union Bank of Scotland and Banking Com. in Aberdeen	415,690	188,428	336,435	524,864	182,879
Edinburgh & Glasgow Bk...	136,657	69,970	93,103	163,073	47,093
Aberdeen Town and Co. Bk.	70,133	41,667	70,756	112,423	49,013
North of Scotland Bk. Co...	154,319	107,021	105,592	212,613	87,074
Dundee Banking Company	33,451	15,250	23,783	39,033	12,037
Eastern Bank of Scotland...	33,636	17,136	22,820	39,956	17,135
Western Bank of Scotland..	337,938	159,306	363,317	522,623	302,587
Clydesdale Banking Co. ...	104,028	57,976	100,668	158,645	96,455
City of Glasgow Bank .....	72,921	93,571	119,731	213,302	160,982
Caledonian Banking Co. ...	53,434	25,913	47,647	73,561	29,432
Perth Banking Company ...	38,656	14,958	34,142	49,101	21,615
Central Bank of Scotland...	42,933	19,820	39,420	59,240	23,274
TOTALS (Scotch Banks)...	3,087,209	1,479,463	2,569,249	4,048,716	1,731,653

## CIRCULATION RETURNS.

### SUMMARY OF IRISH & SCOTCH RETURNS TO SEPTEMBER 29, 1855.

The Returns of Circulation of the Irish and Scotch Banks for the four weeks ending 29th September, when added together, give the following as the average weekly circulation of these banks during the past month, viz. —

Average Circulation of the Irish Banks... £5,900,013  
Average Circulation of the Scotch Banks 4,094,166

Total Average Circulation of these Banks for the past month ..... £9,994,118

On comparing these amounts with the Returns for the month ending 1st September last, they show—

Increase in the Circulation of Irish Banks £304,450  
Increase in the Circulation of Scotch Banks 136,273

Total increase on the month ..... £438,723

And, as compared with the month ending September 30th, 1854, they show—

Increase in the Circulation of Irish Banks £326,444  
Increase in the Circulation of Scotch Banks 123,400

Total increase on the year ..... £349,844

The fixed issues of the Irish and Scotch Banks at the present time are given in the *Banking Almanac*, as follows:—

8 Banks in Ireland, allowed to issue... £5,354,494  
18 Banks in Scotland, allowed to issue .. 3,467,309

26 Banks in all, allowed to issue..... £8,821,803

The following appears, therefore, to be the comparative state of the circulation:—

Irish Banks are below their fixed issue .. £454,483  
Scotch Banks are above their fixed issue 1,095,497

Total above the fixed issue ..... £641,014

The amounts of Gold and Silver held at the head offices of the several banks, during the past month, have been as follows:—

Gold and Silver held by the Irish Banks £1,823,735  
Gold and Silver held by the Scotch Banks 1,632,673

Total of Gold and Silver Coin ..... £3,456,408

Being a decrease of £3,073 on the part of the Irish Banks, and a decrease of £31,451 on the part of the Scotch Banks, on the several amounts held by them during the preceding month.

### CIRCULATION OF THE UNITED KINGDOM TO SEPTEMBER 29, 1855.

The following is the state of the Note Circulation of the United Kingdom, for the month ending the 29th September, 1855.

Circulation of Notes for the Month ending 29th September, as compared with the previous month:—

	Sept. 1.	Sept. 29.	Increase.	Decrease.
Bank of England .....	£20,229,354	£19,859,174	—	370,180
Private Banks .....	3,605,534	3,712,604	£107,070	—
Joint-Stock Banks .....	2,900,975	3,023,945	121,070	—
Total in England .....	26,735,923	26,595,823	228,060	370,180
Scotland .....	3,963,833	4,094,100	130,273	—
Ireland .....	8,594,662	8,906,812	303,150	—
United Kingdom.....	£36,294,318	£36,867,941	£563,893	£370,180

The comparison of the month ending September 30th, 1854, with the month ending September 29th, 1855, shows an increase in the Bank of England circulation of £242,548, an increase in Private Banks of £112,706, and an increase in Joint-Stock Banks of £42,237; being a total increase in England of £397,491: while in Scotland there is an increase of £123,400; and in Ireland an increase of £226,444. Thus showing that the month ending 29th September, as compared with the same period last year, presents an increase of £397,491 in England, and an increase of £747,335 in the United Kingdom.

The return of Bullion in the Bank of England, for the month ending September 29th, gives an aggregate amount in both departments of £13,530,841. On a comparison of this with the Return for the month ending September 1st, there appears to be a decrease of £2,188,503; and an increase of £308,355 as compared with the same period last year.

The stock of specie held by the Banks in Scotland and Ireland during the month ending 29th September, was £3,455,808; being a decrease of £34,524 as compared with the return of the previous month, and an increase of £160,131 as compared with the corresponding period last year.

THE ENGLISH FUNDS.—Daily Prices from 29th August to 25th September, 1855, inclusive.

	29	30	31	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Bank Stock (div. 8 per Ct.)	215½	215½	216½	216½	216½	216½	216½	216½	216½	216½	216½	216½	216½	216½	216½	216½	216½	216½	216½	216½	216½	216½	216½	216½	216½	216½	216½	216½
3 per Ct. Red. Anns.	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½
Ditto for opening	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½
3 per Ct. Consols Anns.	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½
New 3 per Ct. Consols Anns.	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½
New 2½ per cent.	116	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117	117
Long Anns. Jan. 3, 1860	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Ditto 30 years, Oct. 10, 1859	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33	33
Ditto 30 years, Jan. 3, 1860	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½
India Stock (div. 10½ per cent.)	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½	232½
Do. Bonds £1000 (div. 3½ p.c.)	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½	302½
Ditto, under £500	216	216	216	216	216	216	216	216	216	216	216	216	216	216	216	216	216	216	216	216	216	216	216	216	216	216	216	216
Bank Stock for ac. 6th Sept.	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½
Ditto for account 12th Oct.	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½
3 p. Ct. Cons. for ac. 6th Sept.	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½
Ditto for account 12th Oct.	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½
Omnium	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½
Ex. Bills £1000, 2½ p. per diem	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½	179½
Ditto, £500	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½	16½
Ditto, Small	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½
Ditto Bonds ser. A 1853 3½ p.c.	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½
Ditto Serp B 1859	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½	100½

JOINT-STOCK BANKS.

	London	Latest Prices.
Australasia	£40 0	0 p.d. £57
British North American	50	0 00
Bank of London	100	00 0 51½
Commercial of London	100	00 0 33½
Colonial	100	00 0 30½
City Bank	100	00 0 53
London and Westminster	100	00 0 48½
London Joint Stock	50	10 0 32
Oriental Bank	25	0 0 41
Provincial of Ireland	165	0 0 53
National Provincial (England)	130	0 0 57
South Australian	65	0 0 40-41
Union of Australia	25	0 0 70
London and County	50	0 0 29
London Chartered, and Australia	20	0 0 19½
Bank Chartered	20	0 0 17
Bank of India	20	0 0 1½
Australia	20	0 0 3½
New South Wales	20	0 0 3½

RAILWAY SHARES.

	Compare.	Paid up	Price
Caledonian	..	100	65½
Great Northern	..	30	110
Great Western	..	100	99½
London and Blackwall	..	100	54½
London and Brighton	..	100	7½
North-West	..	100	98½
Midland	..	100	91
South-West	..	100	81½
York, Eastern	..	100	64½
York, Newcastle, & Berwick	..	100	57
York & North Midland	..	100	49

The closing prices of the day are quoted.

# Bank of England Weekly Returns.

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the Weeks ending as follows.

## ISSUE DEPARTMENT.

	1855. Oct. 20th.	1855. Oct. 27th.	1855. Nov. 3rd.	1855. Nov. 10th.
Notes issued.....	£ 24,662,230	£ 24,698,460	£ 24,741,320	£ 24,646,295
Government debt.....	11,015,100	11,015,100	11,015,100	11,015,100
Other securities.....	2,984,900	2,984,900	2,984,900	2,984,900
Gold coin and bullion .....	10,692,230	10,698,460	10,741,320	10,646,295
Silver bullion .....	—	—	—	—
	£ 24,662,230	£ 24,698,460	£ 24,741,320	£ 24,646,295

## BANKING DEPARTMENT.

	1855. Oct. 20th.	1855. Oct. 27th.	1855. Nov. 3rd.	1855. Nov. 10th.
Proprietors' capital.....	£ 14,553,000	£ 14,553,000	£ 14,553,000	£ 14,553,000
Reserve.....	3,161,093	3,170,736	3,178,169	3,206,583
Public deposits (including Ex- chequer, Savings Banks, Com- missioners of National Debt, and Dividend Accounts) .....	3,825,021	3,700,844	3,369,984	3,605,358
Other deposits.....	11,764,060	11,327,321	11,694,300	11,166,969
Seven day and other bills.....	980,130	979,129	964,250	942,750
	£ 24,283,333	£ 23,731,020	£ 23,759,603	£ 23,475,700
Government securities (including Dead Weight Annuity) .....	10,634,350	10,329,055	10,201,276	10,124,848
Other securities.....	18,789,812	18,534,600	18,355,548	17,679,564
Notes.....	4,316,485	4,262,560	4,644,465	4,682,205
Gold and silver coin .....	547,977	604,985	536,314	680,143
	£ 24,283,333	£ 23,731,020	£ 23,759,603	£ 23,475,700

## The Exchanges.

	Oct. 12th.	Oct. 19th.	Oct. 26th.	Nov. 2nd.
Amsterdam, short ..	11 18½	11 18½	11 18½	11 17½
Ditto 3 months..	12 0½	12 0½	12 0½	11 19½
Rotterdam, ditto ..	12 0½	12 0½	12 0½	11 19½
Antwerp, ditto .....	25 65	25 65	25 65½	25 60
Brussels, ditto .....	25 66	25 65	25 65½	25 60
Hamburgh, ditto.....	13 10½	13 11	13 10½	13 10
Paris, short .....	25 35	25 40	25 37½	25 40
Paris, 3 months .....	25 67½	25 80	25 80	25 80
Marseilles, ditto .....	25 73	25 80	25 80	25 80
Frankfort, ditto .....	119½	120	120½	120½
Vienna, ditto.....	11 32	11 29	11 30	11 32
Trieste, ditto.....	11 34	11 23	11 32	11 34
Petersburgh, ditto ..	34½	34½	34	34
Madrid, ditto .....	49½	49½	49½	49½
Cadix, ditto .....	50	50	50½	50
Leghorn, ditto .....	30	30 5	30 20	30 20
Genoa, ditto.....	25 75	25 80	25 80	25 80
Naples, ditto.....	44	44½	44	44½
Palermo, ditto .....	131½	132	132	132½
Messina, ditto .....	129	129½	129½	129½
Lisbon, ditto .....	53	53	53	52½
Oporto, ditto .....	53	53½	53½	53
Rio Janeiro 60 days'dte	—	—	—	—

## PRICES OF BULLION.

	Per Ounce.	Per Ounce.	Per Ounce.	Per Ounce.
Foreign Gold in Bars ..	£3 17 9	£3 17 9	£3 17 9	£3 17 9
(Standard) .....	0 4 11½	0 0 0	0 0 0	0 4 11½
Mexican Dollars .....	0 5 1½	0 0 0	0 0 0	0 5 1
Silver in Bars (Stand.)..	—	—	—	—

# Bankers' Weekly Circulation Returns.

Pursuant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTES.

## PRIVATE BANKS.

NAME OF BANK.	Authorised Issue.	AVERAGE AMOUNT.			
		Oct. 6.	Oct. 13.	Oct. 20.	Oct. 27.
	£	£	£	£	£
1 Andover Bank .....	17,751	13,914	14,112	13,498	12,229
2 Ashford Bank .....	11,849	12,635	12,438	11,655	9,824
3 Aylsham Bank .....	5,854	5,371	5,231	5,262	5,529
4 Aylesbury Old Bank .....	48,461	32,696	33,875	35,028	35,303
5 Baldock and Biggleswade Bank .....	37,223	32,287	33,151	34,291	33,848
6 Barnstable Bank .....	17,182	10,656	10,780	10,530	11,192
7 Basingstoke and Odiham Bank .....	24,730	23,848	24,802	24,673	24,274
8 Bedford Bank .....	34,218	35,338	35,130	32,019	33,114
9 Bewdley Bank .....	18,597	9,943	10,205	11,443	12,003
10 Bicester and Oxfordshire Bank .....	27,090	14,728	14,974	15,668	13,465
11 Birmingham Bank—Attwoods & Co. ....	23,695	24,259	23,650	23,395	23,095
12 Birmingham and Warwickshire Bk. ....	18,132	10,312	11,751	11,395	10,870
13 Blandford Bank .....	9,723	8,774	8,605	8,310	8,202
14 Boston Bank—Garfit and Co. ....	75,069	75,666	74,480	71,137	70,617
15 Boston Bank—Gee and Co. ....	15,161	14,809	15,083	14,903	14,509
16 Bridgewater Bank .....	10,028	7,833	7,832	7,948	7,508
17 Bristol Bank .....	48,277	38,070	40,121	44,807	45,001
18 Broseley and Bridgenorth Bank .....	26,717	17,870	17,757	17,283	17,345
19 Buckingham Bank .....	29,557	26,180	26,434	25,907	25,395
20 Bury and Suffolk Bank .....	82,362	72,254	78,385	79,859	78,447
21 Banbury Bank .....	43,457	33,886	35,889	36,022	35,293
22 Banbury Old Bank .....	55,153	27,689	28,322	29,060	29,130
23 Bath City Bank .....	4,572	2,543	2,730	2,865	2,978
24 Bedfordshire Leighton Buzzard Bk. ....	36,829	36,397	37,292	36,411	36,537
25 Birmingham Bk.—Lloyds & Co. ....	38,816	35,060	38,905	41,257	37,438
26 Bradford Old Bank .....	12,676	11,984	12,625	12,821	12,399
27 Brecon Old Bank .....	68,271	67,535	69,780	68,135	67,551
28 Brighton Union Bank .....	33,794	19,660	19,355	19,083	17,839
29 Burlington and Driffield Bank .....	12,745	12,661	12,499	12,353	12,598
30 Bury St. Edmund's Bank .....	3,201	3,105	3,395	3,227	3,034
31 Cambridge Bk.—Mortlock & Co. ....	25,744	13,220	14,104	14,861	15,909
32 Cambridge and Cambridgeshire Bk. ....	49,916	48,500	49,091	48,690	48,493
33 Canterbury Bank .....	33,671	34,490	37,769	31,846	28,645
34 Carmarthen Bank .....	23,597	23,684	23,750	23,335	23,534
35 Chertsey Bank .....	3,436	2,768	2,665	2,621	2,534
36 Colchester Bank .....	25,082	18,750	18,739	18,501	20,078
37 Colchester and Essex Bank .....	48,704	38,169	38,335	37,906	38,026
38 Cornish Bank—Tweedy & Co. ....	49,869	49,835	49,760	49,355	48,818
39 Coventry Bank .....	12,045	7,393	7,598	7,236	6,892
40 City Bank, Exeter .....	21,527	19,605	20,126	21,192	21,355
41 Craven Bank—Alcocks & Co. ....	77,154	74,525	74,917	74,590	73,896
42 Cardiff Bank .....	7,001	6,577	7,505	6,937	6,731
43 Chepstow Old Bank .....	9,387	9,253	9,850	9,066	8,481
44 Derby Bank—Messrs. Evans .....	13,332	10,147	10,862	10,443	10,586
45 Derby Bank—Smith and Co. ....	41,304	44,965	41,200	39,665	38,661
46 Derby Old Bank .....	27,237	28,551	26,692	26,492	26,434
47 Devizes and Wiltshire Bank .....	20,674	8,875	8,806	8,885	9,570
48 Diss Bank .....	10,657	10,236	10,587	10,150	9,958
49 Doncaster Bank and Retford Bank .....	77,400	80,084	79,622	75,003	69,655
50 Darlington Bank .....	86,218	85,206	86,631	85,978	83,442
51 Devonport Bank .....	10,664	8,485	8,700	8,987	9,165
52 Dorchester Old Bank .....	48,807	49,564	49,259	49,025	45,802
53 East Cornwall Bk.—Robins & Co. ....	112,280	95,041	96,906	96,007	95,866
54 East Riding Bank—Bower & Co. ....	53,392	51,332	53,209	53,758	53,922
55 Essex Bk. & Bishops Stortford Bk. ....	69,637	52,534	53,950	54,715	52,200
56 Exeter Bank .....	37,894	28,552	28,843	27,446	27,808
57 Faringdon Bk. & Bk. of Wantage .....	8,977	7,939	8,205	7,550	7,925

